TRADUCTION/TRANSLATION



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

> Citation: 2010 TMOB 82 Date of Decision: 2010-06-01

IN THE MATTER OF OPPOSITIONS by Exxon Mobil to applications Nos. 1,214,252 and 1,214,253 for the trade-marks AUTO XTRA & Design in the name of Uni-Select Inc.

[1] On April 22, 2004, Uni-Select Inc. (the Applicant) filed applications to register the trade-marks AUTO XTRA & Design reproduced below (the Marks) claiming use of each of these trade-marks in Canada since at least as early as January 2004 in association with the following wares:

Lubricants, motor oils; all automotive chemicals and parts and accessories, namely shock absorbers, disc brakes, drum brakes (shoes), brake parts, brass battery terminals, oil filters, air filters, alternators, generators, control boxes, modules, water pumps, gasoline pumps, automotive oils, automotive headlights and lights, copper pipes, rubber hoses for air, oil, water and gasoline, suspension parts, body parts, spark plugs, exhaust system parts, gaskets, fender flaps, universal joints, auto mirrors, ignition products, namely ignition coils, starter relays, voltage regulator, fuses, rotors, electric control modules, spark plug wire set; tool box, tools, namely screwdrivers, pliers, body work hammers, ratchet wrenches, electric perforators, electric drills, wheel rim lug nut removers (the Wares).

[2] The applications, as advertised for opposition purposes in the *Trade-marks Journal* on February 16, 2005, include the following colour claims and disclaimers:

Application No. 1,214,252:



The applicant claims colour as a feature of the mark: GREY for the word AUTO, the right part of the upper bar in front of the term XTRA and the X; WHITE for the perspective aspect of the letters of the terms AUTO and XTRA and the left part of the three bars in front of the term XTRA; ORANGE for the right part of the centre bar in front of XTRA and the fine lines below the thick line above the background and above the thick line below the background; RED for the right part of the lower bar in front of the term XTRA, the letters T, R and A of the term XTRA, the line above the word AUTO, the line below the term XTRA and the thick lines above and below the background; BLACK for the background.

The right to the exclusive use of the words AUTO and XTRA is disclaimed apart from the trade-mark. Application No. 1,214,253:



The applicant claims colour as a feature of the mark: GREY for the word AUTO, the right part of the upper bar in front of the term XTRA and the X; WHITE for the perspective aspect of the letters of the terms AUTO and XTRA and the left part of the three bars in front of the term XTRA; ORANGE for the right part of the centre bar in front of XTRA and the fine lines below the thick line above the background and above the thick line below the background; RED for the right part of the lower bar in front of the term XTRA, the letters T, R and A of the term XTRA, the lines above and below the terms AUTO XTRA and the thick lines above and below background: BLACK for the the background.

The right to the exclusive use of the words AUTO and EXTRA is disclaimed apart from the trade-mark.

[3] Exxon Mobil Corporation (the Opponent) filed a statement of opposition against each of these applications on July 18, 2005. The grounds of opposition in each case may be summarized as follows:

 Having regard to the provisions of paragraph 12(1)(b) of the *Trade-Marks Act* (R.S.C. 1985, c. T-13) (the Act), neither of the Marks is registrable because the words AUTO EXTRA are clearly descriptive of the character or quality of the Wares. The Marks have no registrable design portion; 2. Neither of the Marks is distinctive of the Applicant's Wares within the meaning of section 2 of the Act because the Marks are not adapted to distinguish and do not actually distinguish the Applicant's Wares from other persons' wares and services, since the Marks are clearly descriptive of the character or quality of the Wares. The Opponent adds on this point that the design portions constituting the Marks are not enough to make the Marks distinctive. The words AUTO EXTRA are commonly used by others in association with the same type of wares.

[4] The Applicant filed a counter statement denying all of the grounds of opposition in each case.

[5] In support of its opposition in each case, the Opponent filed as evidence in chief the affidavits of James Haggerty (trade-mark searcher employed by the firm of lawyers and trade-mark agents representing the Opponent) sworn March 17, 2006. Since both of Mr. Haggerty's affidavits are identical for all intents and purposes, I will refer to them in the singular. In support of each of its applications, the Applicant filed as evidence in chief the statutory declarations of Michel Maheux (retired, formerly Senior Vice-President of North American Market Development for the Applicant). Since these statutory declarations are identical for all intents of the singular. None of the deponents were cross-examined.

[6] Both parties filed written arguments and took part in an oral hearing. As a preliminary objection, the Applicant stated in its written argument that the documents attached to Mr. Haggerty's affidavit as Exhibits "A" and "B" were not identified by the person before whom the affidavit was sworn and that this affidavit was therefore defective in form and inadmissible. It should be noted that the originals of Mr. Haggerty's affidavit and Exhibits "A" and "B" filed with the Registrar in each of the cases are not similarly defective. Whatever the case may be, the Applicant withdrew this objection at the hearing, such that Mr. Haggerty's affidavit will be considered for the purposes of my analysis as a whole.

<u>Analysis</u>

General principles and relevant dates

[7] The onus is on the Applicant to show that each of its applications conforms to the requirements of the Act. However, the Opponent bears the burden of ensuring that each of its grounds of opposition is duly argued and of discharging its initial evidentiary burden by establishing the facts supporting its grounds of opposition. Once this initial burden is met, the Applicant has to prove, on a balance of probabilities, that none of the grounds of opposition impedes the registration of the Mark [see *Massimo De Berardinis v. Decaria Hair Studio* (1984), 2 C.P.R. (3d) 319 (T.M.O.B.); *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.); *Joseph E. Seagram & Sons Ltd. et al. v. Seagram Real Estate Ltd.*, (1984), 3 C.P.R. (3d) 325 (T.M.O.B.); *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.*, (2002), 20 C.P.R. (4th) 155 (F.C.A.); and *Wrangler Apparel Corp. v. The Timberland Company*, 2005 FC 722].

[8] The relevant dates for assessing the circumstances of each of the grounds of opposition in this case are the following:

- Ground based on paragraph 12(1)(b) of the Act: the filing date of each of the applications [see *Fiesta Barbeques Ltd. v. General Housewares Corporation* (2003), 28 C.P.R. (4th) 60 (F.C.)]; and
- Ground based on non-distinctiveness of the Mark: generally accepted as being the filing date of each of the statements of opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Ground based on paragraph 12(1)(b) of the Act

[9] Whether the Applicant's Marks are clearly descriptive of the character or quality of the Wares must be considered from the point of view of the average buyer of the wares. In this regard, the Marks must not be dissected and scrutinized but, rather, assessed in their entirety as a matter of the immediate impression conveyed [see *Wool Bureau of Canada Ltd. v. Registrar of Trade Marks* (1978), 40 C.P.R. (2d) 25, at pages 27–28 (C.F.T.D.); *Atlantic Promotions Inc. v. Registrar of Trade Marks* (1984), 2 C.P.R. (3d) 183, at page 186 (F.C.T.D.)]. The word "character" refers to a feature, trait or characteristic of the product, and the word "clearly" means "easy to understand, self-evident or plain" [*Drackett Co. of Canada Ltd. v. American Home Products Corp.* (1968), 55 C.P.R. 29, at page 34 (Ex. Ct.)]

[10] Turning first to the Opponent's evidence on this ground, the Opponent filed, through Mr. Haggerty's affidavit, search results from the Canadian Intellectual Property Office's Register of Trade-marks.

[11] More specifically, in support of his affidavit, Mr. Haggerty filed as Exhibits "A" and "B" the particulars of certain trade-mark registrations or applications for registration on the register disclaiming the right to the exclusive use of the words "AUTO" or "EXTRA" respectively in the automotive industry. This is the Opponent's only evidence.

[12] This evidence is of little relevance under the circumstances. That third parties hold such trade-mark registrations or applications for registration does not mean that the Marks are in and of themselves clearly descriptive of the character or quality of the Wares. On the contrary, that such trade-mark registrations or applications for registration (for certain ones that were allowed) appear on the register supports the Applicant's argument that marks consisting of words describing the character or quality of the wares or services associated with them may nonetheless be registered with a disclaimer of the right to the exclusive use of those words (for example, 1ST AUTO (TMA449,307) in association with automotive accessories, disclaiming the words "1ST AUTO"; AUTO ESSENTIALS (TMA511,091) in association with automotive-related products, disclaiming the word "AUTO"; AUTO TRACTION (TMA608,777) in association with vehicle repair equipment, disclaiming the words "AUTO" and "TRACTION"; AUTO TRENDS (TMA493,313) in association with automotive accessories, disclaiming the word

"AUTO"; EXTRA RANGE GREASE (TMA472,784) in association with automotive grease, disclaiming the words "EXTRA" and "GREASE"; XTRA CAB DESIGN (TMA310,807) in association with motor cars, parts and accessories, disclaiming the words "XTRA CAB", etc.).

[13] Turning now to the Applicant's evidence, the statutory declaration of Michel Maheux shows that the Applicant has been using the Marks in Canada since January 2004, although the Applicant has been using the mark AUTO EXTRA in word format or in a number of other design formats since 1984.

[14] The Applicant was founded in 1968 and specializes in the distribution of replacement parts, tools, equipment and accessories for automotive vehicles. The Applicant today comprises over 589 merchant members operating a total of 1,148 stores. The Applicant is also the supplier for the franchise networks Midas, Speedy Brake & Wheel, Minute Muffler, OK Tire, Kal-Tire, Tirecraft and Certigard, among others, as well as institutional customers such as Hydro-Québec and Transports Québec [paragraph 5 of the statutory declaration of Mr. Maheux].

[15] Mr. Maheux explains in his statutory declaration that the Applicant began using the word mark AUTO EXTRA in 1984 to identify some of its outlets [paragraph 6 of Mr. Maheux's statutory declaration and Exhibits "MM-1" to "MM-3"]. A copy of the particulars of the trade-mark registration No. TMA399,047 (still active) obtained by the Applicant for this service mark in association with, among other things, [TRANSLATION] "the operation of a wholesale or retail sale business for automotive vehicle parts and accessories", is also attached to his statutory declaration as Exhibit "MM-14".

[16] In his statutory declaration, Mr. Maheux went on to explain that the Applicant then began using certain design formats of the mark AUTO EXTRA in association with a line of automotive vehicle products and accessories in 1991 [paragraphs 8 to 10 of Mr. Maheux's statutory declaration and Exhibits "M 4" to "MM-8"]. Copies of the particulars of registration Nos. TMA468,467 and TMA468,485 (still active) obtained by the Applicant for two of those design formats (reproduced below) are also attached to this statutory declaration as Exhibit "MM-14":

Registration No. TMA468,467:



Colour claim: Red for the upper band and lower band and the letters XTRA; white for the word AUTO; orange for the middle band; all of the above on a black background.

Disclaimer: The right to the exclusive use of the word AUTO is disclaimed apart from the trade-mark.

Registration No. TMA468,485:



Colour claim: Red for the upper band and lower band and the letters XTRA; white for the word AUTO; orange for the middle band; all of the above on a black background.

Disclaimer: The right to the exclusive use of the word AUTO is disclaimed apart from the trade-mark.

[17] The Applicant began using the mark AUTO EXTRA in the design formats at issue in these applications in 2004 [paragraph 12 of Mr. Maheux's statutory declaration]. In this regard, Mr. Maheux attached to his statutory declaration various specimens of advertising leaflets, packaging and photographs showing that the Marks have been displayed on several of the Wares since 2004 [Exhibits "MM-9" to "MM-14"].

[18] Mr. Maheux states that, between 1994 and 2004, the Applicant made several hundreds of thousands of dollars in sales in association with the design mark AUTO EXTRA illustrated in Exhibits "MM-5" and "MM-6", corresponding to the mark registered under No. 468,485 [paragraph 11 of Mr. Maheux's statutory declaration]. Although Mr. Maheux contends that the design mark illustrated in these specimens is not significantly different from those covered by these applications, the sales figures are nonetheless prior to the adoption and use of the Marks.

[19] Mr. Maheux adds on this point that the sales of products bearing the mark AUTO EXTRA, including in the design formats at issue in these applications, for the years 2001 to July 2006, amounted to approximately \$118,171,425 [paragraph 18 of Mr. Maheux's statutory declaration]. As this amount is not broken down by year, it is difficult for me to assess the value of the sales made since the adoption of the Marks.

[20] Mr. Maheux further states that, be it through the use of brochures or posters at outlets, promotional newsletters or other types of promotional tools, and, more specifically, in electronic

sales newsletters to customers, the Applicant made considerable efforts to advertise the mark AUTO EXTRA, including in the design formats at issue in these applications [paragraph 17 of Mr. Maheux's statutory declaration]. Without further details, it is once again difficult for me to assess the value and the extent to which these Marks were promoted. These weaknesses in the Applicant's evidence make it impossible for me to properly evaluate the distinctiveness acquired through the use of each of the Marks by the filing date of the applications. Whatever the case may be, the Applicant did not rely on subsection 12(2) of the Act in response to the ground of opposition based on paragraph 12(1)(b) of the Act.

[21] The Applicant correctly points out that there is no evidence that others have used the words "AUTO EXTRA" to describe wares such as those listed in these applications. Relying on *Fiesta Barbeques Ltd. v. General Housewares Corp.* (2003), 28 C.P.R. (4th) 60 (F.C.) (*Fiesta*), the Applicant adds on this point that there is no evidence that allowing these Marks would deprive traders of some right to describe their wares in a way they already do or might wish to do. Similarly, the Applicant states that it has never used the words "AUTO EXTRA" descriptively to describe its wares, which seems to be corroborated by the evidence adduced by Mr. Maheux.

[22] Even though the Marks at issue in and of themselves have little inherent distinctiveness owing to the descriptive or laudatory nature of the words "AUTO" and "[E]XTRA" (as the Applicant has disclaimed the right to the exclusive use of each of these words apart from the Marks), I am of the opinion that the Marks, on the whole, cannot be characterized as being clearly descriptive in this case (or as being deceptively misdescriptive) of the character or quality of the Wares within the meaning of paragraph 12(1)(*b*) of the Act. If the word "[E]XTRA" is viewed as a common noun meaning "extra" and not a laudatory adjective, the Marks are suggestive rather than laudatory or descriptive. Thus, the Marks may suggest in the context of the Wares that they are related to the automotive industry and somewhat akin to "extras". The combination of the words "AUTO" and "EXTRA" in this context cannot be considered to be clearly descriptive of the character or quality of the Applicant's automotive vehicle replacement parts and tools. As rightly noted in *Fiesta*, the question is not whether the Marks are descriptive or suggestive but, rather, whether they are "clearly descriptive".

[23] In this regard, it bears noting that, even though my conclusions on the registrability of the Trade-Marks at issue favour the trade-mark registrations described above (namely, registrations TMA399,047; TMA399,191 and TMA468,485) obtained by the Applicant for the mark AUTO EXTRA in word format and a number of other design formats, nevertheless, none of these registrations in and of themselves may result in or guarantee the registrability of the Trade-Marks at issue [see *Coronet-Werke Heinrich Schlerf GmbH v. Produits Ménagers Coronet Inc.* (1984), 4 C.P.R. (3d) 108 (T.M.O.B.)].

[24] In closing, it should also be noted that the Marks consist of a combination of the words "AUTO [E]XTRA" and design portions, including colour claims. I am of the opinion that these design portions, in particular the contrasts between the red, orange, grey and white colours and the black rectangular background, stimulate visual interest in the Marks. However, most of these design portions amount to an embellishment of the letters forming the words. As such, they cannot be characterized as dominant features that are separate from the words "AUTO EXTRA" and that, in and of themselves, make the Marks registrable.

[25] In short, I am of the view that the Opponent has not discharged its initial burden of establishing the facts supporting its ground of opposition under paragraph 12(1)(b) of the Act. Even though the Marks at issue do not qualify as strong marks, it is my opinion that they are nonetheless registrable, as they do not clearly describe the character or quality of the Applicant's Wares. The ground of opposition based on paragraph 12(1)(b) is therefore rejected.

Ground based on non-distinctiveness

[26] The Opponent can discharge its initial burden of proof regarding the non-distinctiveness of the Marks by establishing the facts supporting its ground of opposition. In this respect, the Opponent alleged that each of the Marks is clearly descriptive of the character or quality of the Wares and that the words "AUTO" and "EXTRA" are commonly used by others.

[27] For the reasons explained above, I find that the Opponent has not discharged its initial burden. Consequently, I would also reject the ground of opposition based on non-distinctiveness.

Decision

[28] Pursuant to the authority delegated to me under subsection 63(3) of the Act, I reject each of the oppositions pursuant to subsection 38(8) of the Act.

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

Certified true translation Tu-Quynh Trinh