

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

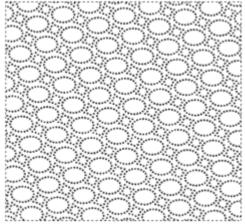
Reference: 2015 TMOB 39 Date of Decision: 22/02/2015

TRANSLATION

IN THE MATTER OF AN OPPOSITION by Kruger Products L.P. against registration applications nos. 1,576,815 and 1,576,816 for the trade-marks SMALL OVALS (Design) and BIG OVALS (Design) in the name of Cascades Canada ULC.

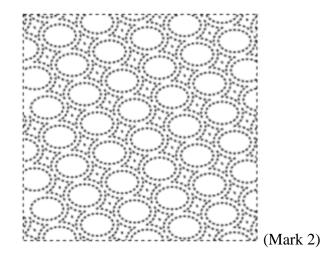
Introduction

[1] On May 8, 2012, Cascades Canada ULC (the Applicant) filed applications for the registration of the trade-marks SMALL OVALS (Design) bearing number 1,576,815 as illustrated below:



(Mark 1)

and BIG OVALS DESIGN bearing number 1,576,816 as illustrated below:



Mark 1 and Mark 2 will be collectively named the Mark for the purposes of this decision.

[2] The two applications are based on use in Canada, namely since June 2007 for Mark 1 and since March 2011 for Mark 2. These applications cover the following products: bathroom tissue (Products). They also contain the following words:

The mark is two-dimensional and the representation of the wares shown as dotted lines is not part of the mark.

- [3] These applications were published on September 12, 2012 in the *TradeMarks Journal* for the purposes of opposition.
- [4] On February 11, 2013, Kruger Products L.P. (the Opponent) filed a statement of opposition in each of these files. The grounds of opposition raised in both oppositions are based on sections 30 *b*), 30 *i*) and 2 (distinctiveness) of the *Trade-marks Act*, RSC (1985), ch T-13 (the Act). They are described in greater detail in Appendix A of this decision.
- [5] In each of these files, the Applicant filed an identical counterstatement denying each and every ground of opposition.
- [6] In each of the files:
 - The Opponent filed the affidavits by Wendy Mommersteeg, Kristen Kilroy and Mary P. Noonan;
 - The Applicant filed no evidence;
 - The parties filed a written argument; and

- A hearing was held at which each party was represented.
- [7] I must first determine whether the Opponent has filed sufficient evidence to meet its initial evidentiary burden regarding each ground of opposition. The grounds of opposition are based on the following allegations:
 - The Mark is a design embossed over several layers of tissue paper serving solely as an ornament or decoration;
 - The Mark is not visible by consumers at the time of the transfer of ownership of the Products; and
 - The Mark violates the Opponent's rights to industrial designs, thus making its use contrary to the provisions of sections 9 and 11 of the *Industrial Design Act*, RSC 1985, c I-9.
- [8] For the reasons described below in greater detail, I find that the evidence shows that Mark 1 is not visible at the time of the transfer of ownership to the consumer and, as a result, the application registration does not comply with the provisions of section 30 *b*) of the *Trademarks Act*, RSC 1985, c T-13 (the Act). Furthermore, Mark 1 is not used as a trade-mark to distinguish the Applicant's Products.
- [9] Regarding registration application no. 1,576,816 for Mark 2, I find that the Opponent has not met its initial evidential burden for each of the grounds of opposition being raised.

Evidentiary burden

[10] Under the procedure in the matter of opposition to the registration of a trade-mark, the legal onus is on the Applicant to show that the application for registration does not contravene the provisions of the Act. This means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the Applicant. However, the Opponent must discharge the initial burden of proving the facts on which it bases its allegations. The fact that an initial evidentiary burden is imposed on the Opponent means that a ground of opposition will be taken into consideration only if sufficient evidence exists to allow a reasonable conclusion of the existence of the facts alleged in support of this ground of opposition [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA); and *Wrangler Apparel Corp v The Timberland Company* (2005), 41 CPR (4th) 223 (FCTD)].

Preliminary comments

- [11] The Opponent claims that this file is unusual in that the Applicant has not submitted any evidence of use of the Mark although its registration application is based on use of the Mark. There is nothing unusual in this regard. Remember that it is the Opponent that has the initial evidentiary burden and if the Applicant believes that the Opponent has not discharged such a burden, it is not required to submit any evidence on use of the Mark.
- [12] The Opponent claims that it is unusual for the Opponent to submit evidence of use of the Mark instead of the Applicant. Given the grounds of opposition being argued, and that the Opponent has the initial evidentiary burden, under the circumstances, there is nothing unusual in the evidence being submitted by the Opponent.
- [13] I will refer further on in the decision to the rulings made by the registrar and the Federal Court in similar cases regarding designs embossed over bathroom tissue or paper towels.
- [14] The Applicant brought up the inadmissibility of the Opponent's evidence mainly on the grounds that said evidence is later than the different relevant dates associated with the grounds of opposition pleaded by the Opponent. I will deal with this issue during the examination of the various grounds of opposition and of the evidence submitted by the Opponent to meet its initial evidentiary burden.

Relevant dates

- [15] There is no controversy over the relevant dates associated with each of the grounds of opposition raised by the Opponent:
 - Sections 30 *b*) and 30 *i*) of the Act: filing date of registration applications (May 8, 2012) [see *John Labatt Ltd* cited above and *Tower Conference Management Co v Canadian Exhibition Management Inc* (1989), 28 CPR (3d) 428 (TMOB)];
 - Section 2 of the Act (distinctiveness of the Mark): date statement of opposition was filed (February 11, 2013 for each registration application) [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

Ground of opposition based on section 30 i) of the Act

- [16] Section 30 *i*) of the Act requires only that the Applicant declares being convinced of having the right to use the Mark. This statement is included in each registration application under study. The so-called knowledge of the Opponent's industrial designs no. 110116 and no. 110154 and their use over the years is insufficient in itself to support a ground of opposition based on section 30 *i*) of the Act.
- [17] I would like to point out that Ms. Noonan, an employee of the Opponent's agents, filed certified copies of industrial designs 110154 and 110116, registered in the Opponent's name. I am reproducing said industrial designs below:

Industrial design registration no.	Industrial design
Industrial design registration no. 110116	Industrial design
	Figure 1

Industrial design registration no.	Industrial design
110154	
	FIGURE 1

- [18] The Opponent is arguing that use of the Mark violates the provisions of sections 9 and 11 of the *Industrial Design Act*. It has been recognized in the past that an opponent can base its opposition by combining section 30 *i*) of the Act with one or more provisions of a federal act [see *Interprovincial Lottery Corp v Monetary Capital Corp* (2006), 51 CPR (4th) 447 (TMOB)].
- [19] I believe it is necessary to reproduce the text of sections 9 and 11 of the *Industrial Design Act*:
 - 9. An exclusive right for an industrial design may be acquired by registration of the design under this Part.
 - 11. (1) During the existence of an exclusive right, no person shall, without the licence of the proprietor of the design:

make, import for the purpose of trade or business, or sell, rent, or offer or expose for sale or rent, any article in respect of which the design is registered and to which the design or a design not differing substantially therefrom has been applied; or do, in relation to a kit, anything specified in paragraph (a) that would constitute an infringement if done in relation to an article assembled from the kit.

- (2) For the purposes of subsection (1), in considering whether differences are substantial, the extent to which the registered design differs from any previously published design may be taken into account.
- [20] There is no evidence on record of any previously published industrial designs. The issue of whether there has been an infringement of the exclusive rights conferred by the registration of the industrial designs is not limited to a mere comparison of the design protected by the *Industrial Design Act* with the Mark [see *Bodum USA v Trudeau Corp* (1989) Inc 2012 CF 1128].
- [21] I therefore reject this ground of opposition given that I am lacking certain key items of evidence in order to render a ruling.

Ground of opposition based on section 30 b) of the Act

- [22] The Opponent is pleading three parts under this ground of opposition, namely:
 - The Applicant never used the Mark as a trade-mark and therefore the date of first use alleged in each of the registration applications is incorrect;
 - b) The Applicant never used the Mark as a trade-mark but rather used the designs in question for ornamental or decorative purposes;
 - c) The Mark is an embossed pattern that is not visible at the time of the transfer of ownership of the Products. Hence, the Applicant has never used the Mark as a trademark and therefore the date of first use alleged in each of the registration applications is incorrect.
- [23] As mentioned above, it is the Opponent that has the initial evidentiary burden. The Opponent considers having met its initial evidentiary burden by filing the affidavits by Ms. Kilroy and Ms. Mommersteeg. I will comment on the content of these affidavits in greater detail further on.

- [24] The Applicant is arguing that these affidavits are later than the relevant date associated with said ground of opposition (May 8, 2012). It is true that Ms. Kilroy's affidavit is dated July 17, 2013 and Ms. Mommersteeg's affidavit is dated July 18, 2013. Hence, according to the Applicant, the contents of the affidavits are inadmissible. Therefore, according to the Applicant, the ground of opposition based on section 30 *b*) of the Act should be rejected in its entirety as a result of the Opponent's failure to meet its initial evidential burden.
- [25] A distinction must be made between the date of the affidavit and the period of time when the facts described in the affidavit occurred. Hence, if an affidavit was signed on a date later than the relevant date but describes facts that occurred prior to the relevant date, the content of the affidavit related to these facts could be admitted as evidence.
- [26] I am in agreement with the Opponent when it claims that, under the present circumstances, the Applicant was best suited to show proof of use of the Mark. However, the Opponent is the one alleging that the Mark has never been used as a trade-mark and the dates of first use alleged by the Applicant in its registration applications are incorrect. The Opponent therefore had the initial burden of proving facts that could lead to such a conclusion.
- [27] For the purposes of this ground of opposition, it is not necessary to review the entire contents of Ms. Mommersteeg's affidavit. She has been the Opponent's Manager, Paper Towel Category, since February 2, 2009. She has been in the Opponent's employ since 2003. She explains that the Opponent is the main manufacturer and distributor of bathroom tissue and paper towels for household use.
- [28] Ms. Mommersteeg explains that the embossing process consists in creating a raised and repetitive pattern over a paper product using heat and pressure during manufacturing. This process is used in the industry to provide an ornamental and decorative appearance to a paper product for consumer use without having to use dyes or coloring agents. Since it is part of the actual product, the embossed design is not visible to the consumer during the purchase as a result of the product's packaging. She explains that the embossed design applied to the paper product will only be fully visible by the consumer after purchase once it has been removed from its packaging.

- [29] Ms. Mommersteeg then provides clarifications on the Opponent's use of various embossed designs on paper products for consumer use, namely annual sales of such products since 2005; the annual expenditures by the Opponent for promoting such products; and the type of advertising and promotional campaigns for its products.
- [30] In paragraphs 8 through 12, Ms. Mommersteeg explains the industry practice of using embossed designs on paper products intended for consumer use. However, she does not mention any specific activities of the Applicant dating back to May 8, 2012 (the relevant date). Hence, the content of Ms. Mommersteeg's affidavit cannot be used to directly serve the interests of the Opponent as to the various parts of this ground of opposition.
- [31] I will now review the evidence filed by the Opponent, more specifically the content of Ms. Kilroy's affidavit regarding each of the present registration applications.

Application no. 1,576,815

- [32] Ms. Kilroy held a student position at the Opponent's agents' firm at the time of signing her affidavit. On July 17, 2013, she went to a Metro store in Toronto, Ontario to purchase bathroom tissue and paper towels. She photographed the purchased products in their packaging, along with a roll of paper towels and a roll of bathroom tissue. She submitted a copy of the invoice. She also mentions in her affidavit that the purchased products are available for inspection and that they will also be available at the hearing. In fact, at the hearing, the Opponent's agent submitted one of the products purchased by Ms. Kilroy, namely a package of 12 rolls of bathroom tissue in its original packaging bearing the brand name CASCADES, which was partially opened in order to remove a roll so that photographs could be taken of the roll. The Applicant's name appears on the packaging. The Applicant did not submit any evidence to contradict the fact that the product purchased by Ms. Kilroy originated from the Applicant. I therefore consider that said purchased product originates from the Applicant.
- [33] I examined not only the photographs of a roll taken by Ms. Kilroy but also the package of the 12 rolls of bathroom tissue bearing the brand name CASCADES and one of the rolls from the package. I have concluded that Mark 1 appears on the actual bathroom tissue.

- [34] As for the other product that was purchased, I was unable to examine it at the hearing as the Opponent did not have it on hand. I therefore asked the Opponent after the hearing to submit it so that I could examine it. It consists of the Opponent's paper towels sold under the brand name SPONGE TOWELS.
- [35] These purchases clearly took place after the relevant date. However, can it be concluded from the evidence that there was use of Mark 1 prior to the relevant date in connection with the Products found inside the package? Ms. Mommersteeg did not allege in her affidavit that the product purchased by Ms. Kilroy corresponded to the products sold by the Applicant at the time the present registration applications were filed. Ms. Kilroy clearly could not make such an assertion.
- [36] However, I have noted that the packaging bears the following inscription: © Cascades Canada ULC, 2011. This copyright notice over the contents of the package therefore dates back to no later than December 31, 2011, which is before the relevant date. I therefore find that the submission of this exhibit can be admitted as evidence. It was perfectly lawful for the Applicant to submit evidence if the Applicant considered that it had not manufactured the purchased product or that said product was not representative of what was being sold in stores at December 31, 2011.
- [37] I recall that the Opponent's initial evidential burden under section 30(b) is low since it concerns the activities of the Applicant, which is better suited than the Opponent to meet it [see *Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB)].
- [38] I now need to decide whether this evidence is sufficient to conclude that the Opponent has met its initial evidential burden regarding this ground of opposition with respect to Mark 1.
- [39] I have noted that the packaging contains several inscriptions (brand names or slogans) such as:
 - a. CASCADES
 - b. I am Green
 - c. Je suis vert
 - d. Soft on everything it touches
 - e. Doux partout

There is no reference to Mark 1 on the actual packaging. The front of the packaging has a grey background, which has the effect of obscuring Mark 1 on the actual rolls. The back of the packaging has a green background, which also obscures Mark 1.

- [40] In Scott Paper Ltd v Georgia Pacific Consumer Products LP, 2010 FC 478, the Federal Court discussed the use of a design as a trade-mark on bathroom tissue. Judge O'Keefe said the following on the issue of the visibility of a trade-mark at the time of the transfer of ownership of a product:
 - [60] Marks that are not seen or made known to the purchaser at the critical moment of sale are not deemed to be used under subsection 4(1). Both marks in question tend to fall into this category because they are not typically seen by consumers at the point of purchase.
 - [61] As the applicant points out, the trade-mark shown to consumers of the respondent's bathroom tissue product is Costco's KIRKLAND SIGNATURE brand.
- [41] The same can be said for the Registrar's decision in *Kimberly-Clark Tissue Co v Fort James Operating Co* (2004), 37 CPR (4th) 559 (TMOB).
- [42] In our case, the mark seen by the consumer when purchasing the Products is CASCADES.
- [43] I therefore conclude that the Opponent has met its initial evidential burden by showing that Mark 1 was not visible at the time of the transfer of ownership of the Products and that consequently, there has never been use of Mark 1 as a trade-mark within the meaning of section 4(1) of the Act. As a corollary to this conclusion, I consider that the Applicant has never used Mark 1 since the date of first use alleged in its registration application.
- [44] As previously mentioned, the Applicant has not submitted any evidence. Since the Opponent has met its initial evidential burden, it was incumbent on the Applicant to show that its registration application no. 1,576,815 met the requirements of section 30 *b*) of the Act. Since the Applicant has not met its legal onus under this ground of opposition, the latter is maintained, and more specifically parts a) and c) described above in paragraph 22.

Application no. 1,576,816

- [45] I consider that the Opponent has not met its initial evidentiary burden under this ground of opposition (section 30 *b*) of the Act) with respect to Mark 2. In fact, contrary to Mark 1, I do not have in my possession a Product manufactured and sold prior to the relevant date by the Applicant in its packaging on which rolls Mark 2 can be seen.
- [46] Under the circumstances, I am rejecting the ground of opposition based on section 30 *b*) of the Act with regard to registration application no. 1,576,816 since the Opponent has not met its initial evidential burden.

Ground of opposition based on non-distinctiveness of the Mark

- [47] This ground of opposition also involves three parts:
 - a) The most conventional, regarding whether the Mark is not distinctive and cannot be used as a trade-mark to distinguish the Applicant's Products from those of others, and more specifically those of the Opponent that also bear embossed designs;
 - b) The Mark is not distinctive and cannot be used as a trade-mark to distinguish the Applicant's Products from those of others, nor is it capable of distinguishing them, since the Mark is a design embossed over several layers of tissue serving only as an ornament or decoration:
 - c) The Mark is not distinctive and cannot be used as a trade-mark to distinguish the Applicant's Products from those of others, nor is it capable of distinguishing them, since the Mark is a drawing embossed over several layers of tissue covered with packaging and therefore cannot be seen by consumers at the time of the transfer of ownership of the Products.
- [48] In a case similar to ours, my colleague Myer Herzig stated the following on page 565 of *Kimberley-Clark Tissue Co*, cited above, regarding the ground of opposition based on the non-distinctiveness of the Mark:

As noted by the opponent, paper towels incorporating embossed designs are typically sold in packaging that prominently display one or more word marks. The embossed designs are not readily visible to consumers because

the packaging, though generally transparent, often obscures the embossing on the paper towels with non-transparent colouring or printed matter on the front face of the packaging. For example, the applicant's wares are sold under the word-marks KIRKLAND, SIGNATURE, and CHELSEA. I agree with the opponent that the front face of the applicant's packaging obscures the arabesque design feature on the wares. I have noted that the ARABESQUE DESIGN is pictured on the front face applicant's product packaging, and in advertising. However, the ARABESQUE DESIGN as pictured is not readily discernable and in any event it is questionable whether the pictorial representation is being used as a trade-mark to identify the source of the wares or merely to indicate to consumers the ornamental feature of the wares. Further, the market research studies referenced by Mr. Miller in answer to written interrogatories are concerned with whether consumers have design preferences for embossing on paper towels. It appears intricate designs are preferred. The market research does not address the issue of whether embossed designs have any trade-mark significance to the consumer.

I agree with the applicant that its ARABESQUE DESIGN is noticeably different than other embossed designs found on the wares of competitors. I also agree that the present case is not governed by the Corn Flower case, above, or other cases relied on by the opponent where the design in issue was in common use by other traders. Nevertheless, the opponent has put forward a credible case that the applicant's embossed design on paper towels does not have trade-mark significance for ordinary consumers. Despite cogent and persuasive submissions put forward by counsel for the applicant, I find that the evidence submitted by the applicant does not meet the onus on the applicant to show that on a balance of probabilities ARABESQUE EMBOSS DESIGN had trade-mark significance, at any material time. Accordingly, I find that the subject application must be refused.

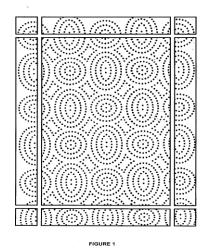
Registration application no. 1,576,815

- [49] These comments clearly apply to our situation. In fact, it has been submitted as evidence that Mark 1 does not distinguish the Products from the products of others, nor is it capable of doing so since Mark 1 is not visible to consumers at the time of the transfer of ownership of the Products.
- [50] For the same reasons mentioned under the previous ground of opposition, I consider that the Opponent's evidence on this point and described in greater detail in Ms. Kilroy's affidavit is admissible even if said affidavit was signed after the relevant date (February 11, 2013) and the purchase that was made dates back to before the relevant date.

- [51] The Applicant did not submit any evidence to establish that Mark 1 was distinctive on the relevant date or was capable of distinguishing the Products from the products of others. Since the Applicant bears the legal onus of establishing these facts, I maintain this ground of opposition with respect to Mark 1, and more specifically part c) described above in paragraph 47.
- [52] As the Opponent received a favourable response under two separate grounds of opposition, it is not necessary to examine parts a) and b) of this ground of opposition with respect to this registration application.

Registration application no. 1,576,816

- [53] As I previously pointed out, I have no evidence of the use of Mark 2 on record. Hence, contrary to application registration no. 1,576,815, the Opponent has not met its initial burden of proof in this case with respect to aspects b) and c) of this ground of opposition. In fact, I have no evidence the Mark 2 serves solely as an ornament or decoration and that it is an embossed design over several layers of tissue covered with packaging and therefore cannot be seen by the consumer at the time of the transfer of ownership of the Products.
- [54] As to whether Mark 2 was not distinctive within the meaning of section 2 of the Act as it could not be used to distinguish the Applicant's Products from those of others, and more specifically the Opponent's products also bearing embossed designs, the evidence filed by the Opponent in this respect should be reviewed.
- [55] On July 17, 2013, Ms. Kilroy also purchased a package of six rolls of SPONGE TOWELS paper towels manufactured by the Opponent as evidenced on the packaging of said product. However, the product's packaging fully obstructs the view of the embossed design on the paper towels. Although said purchase was made after the relevant date associated with this ground of opposition, Ms. Mommersteeg alleges in paragraphs 14 and following of her affidavit that this product has been sold by the Opponent or its predecessors-in-title since July 2005. In paragraph 14 of her affidavit, she has reproduced the design that appears on the product purchased by Ms. Kilroy and illustrated below:



(Opponent's drawing)

- [56] In her affidavit, Ms. Mommersteeg provided the annual sales figures for paper products with an embossed design. Annual sales from 2005 to 2012 range from over \$23 million to close to \$75 million. However, in her affidavit Ms. Mommersteeg refers not only to the industrial designs mentioned above but also to the design reproduced in the previous paragraph along with other designs similar to the latter one. However, there is no breakdown of sales by embossed design used by the Opponent.
- [57] Ms. Mommersteeg also provided examples of ads for her SPONGE TOWELS products where the Opponent's design is shown. For example, the design can be seen:
 - In Exhibit 4 of her affidavit, i.e. pictures of a television ad that ran in Canada in 2010 and 2011 where said pattern can be seen through the absorption of a yellow liquid over a white sheet of SPONGE TOWELS paper towels;
 - In Exhibit 6 of her affidavit, i.e. pictures of a television ad that ran in Canada in 2006 where said pattern can be seen through the absorption of a greenish liquid over a white sheet of SPONGE TOWELS paper towels;
 - In Exhibit 13 of her affidavit where the Opponent's design can be seen in an ad that appeared in 2008.

- [58] I have noted that on several of the exhibits submitted by Ms. Mommersteeg, the Opponent's design cannot be seen in its entirety as a result of the superimposition of images or text over the representation of a paper towel sheet. I also recall that the packaging of the paper towels bearing the brand name of SPONGE TOWELS prevents the embossed pattern from being seen.
- [59] In applying the principles stated in the *Scott Paper* decision cited above, I am not convinced that the Opponent's design is used as a trade-mark, meaning that it can serve to identify the source of the products. As mentioned by Ms. Momersteeg herself in her affidavit, designs embossed on paper are used in the industry for decorative or ornamental purposes.
- [60] Under the circumstances, I conclude that the Opponent has not met its initial evidential burden that consists in showing that the Opponent's design appearing on its SPONGE TOWELS paper towels was not only used as a trade-mark but was also known by Canadian consumers on the relevant date such that Mark 2 could not be used to distinguish the products from those of the Opponent.
- [61] The ground of opposition based on non-distinctiveness of Mark 2 is therefore dismissed in its entirety with regard to registration application no. 1,576,816.

Additional remarks

- [62] In its written arguments, the Applicant brought up the fact that the content of Ms. Kilroy's affidavit should not be admitted as evidence since it was made by an employee of the Opponent's agents. I would like to point out that Ms. Kilroy had simply purchased some of the Applicant's products from a Toronto retailer. If there had been any controversy regarding the origin of the purchased products or their packaging, the Applicant could have cross-examined Ms. Kilroy or even filed its own evidence.
- [63] The Applicant also argued that the Opponent, in its statements of opposition, claimed that the design constituting the Mark was <u>only</u> used for decorative or ornamental purposes. However, Ms. Mommersteeg alleged in her affidavit that the design was <u>mainly</u> used for decorative or ornamental purposes. Hence, according to the Applicant, the Opponent has not

met its initial evidentiary burden since the evidence of record does not support the ground of

opposition as worded in the statements of opposition.

[64] I do not have to rule on the well-foundedness of this argument since I have upheld the

grounds of opposition based on sections 30 b) and 2 of the Act with respect to Mark 1 for

aspects other than those showing the ornamental nature of the Mark.

Disposal

[65] In exercising the authority delegated to me by the Registrar of Trade-marks pursuant to

section 63(3) of the Act, I reject registration application No. 1,576,815 for the SMALL

OVALS (DESIGN) trade-mark.

[66] However, I reject the opposition with respect to registration application No. 1,576,816

for the trade-mark BIG OVALS (DESIGN),

[67] the whole pursuant to the provisions of Section 38(8) of the Act.

Jean Carrière

Member of the Trademarks Opposition Board

Canadian Intellectual Property Office

Certified true translation Carole Biondic

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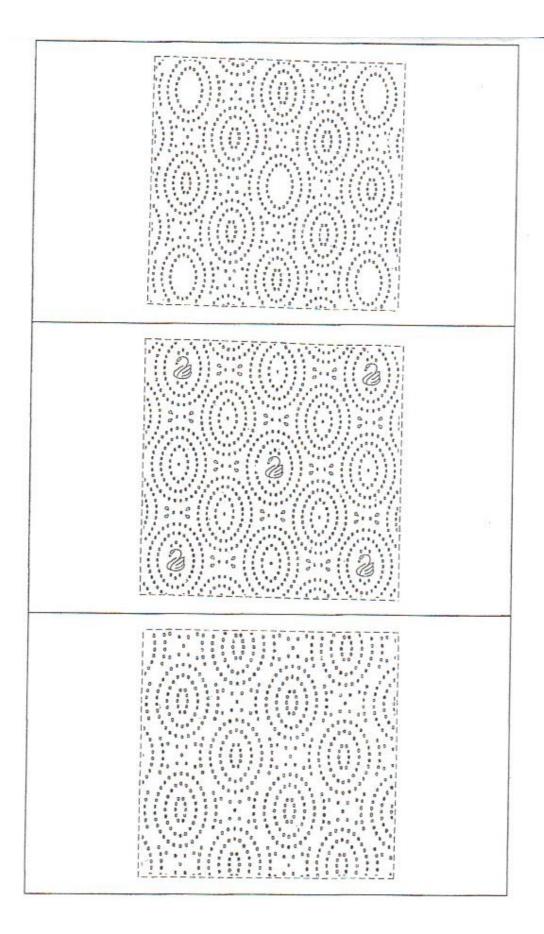
Appendix A

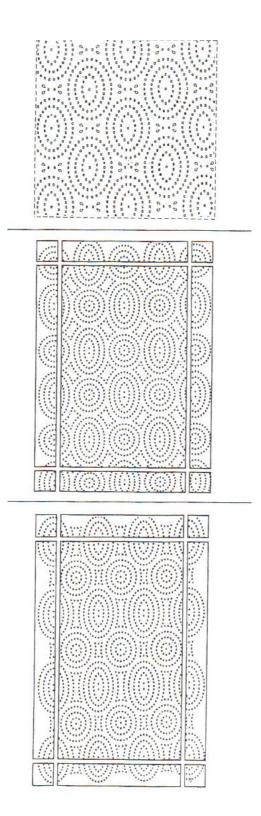
The grounds of opposition can be summarized as follows:

1. The registration application does not comply with the provisions of section 30 *b*) of the *Trade-marks Act*, R.S.C. 1985, ch. T-13 (the Act) in that Mark 1 has not been used in connection with the Products since June 2007 or continuously since June 2007, and Mark 2 has not been used in connection with the Products since March 2011 or continuously since March 2011; nor was the Mark used as a trade-mark within the meaning of section 4 of the Act. The registration application contravenes section 30 *b*) of the Act since the Mark is an embossed design over several layers of tissue serving only as an ornament or decoration. The embossed design is not used to distinguish the Applicant's Products from those of others, and therefore was not used as a trade-mark within the meaning of the Act;

Nor did the Applicant use a trade-mark under the meaning of section 4 of the Act that corresponds to the design filed in support of the registration applications. The Mark is an embossed design over several layers of tissue covered with packaging and is therefore not visible to the consumer at the time of the transfer of ownership. Therefore, no notice of association of the embossed design with the Products can be given to the person to whom the products have been transferred. Therefore, the Applicant did not use a trade-mark at the time of the transfer of ownership or possession of the Products;

- 2. The registration application does not comply with the provisions of section 30 *i*) of the Act in that the Applicant was acting in bad faith in filing said application. In fact, the parties are competitors in the paper products field and are therefore generally familiar with each other's products, services and advertising. Hence, the Applicant had to have known that the Opponent had rights to industrial designs 110116 and 110154 for its paper products. Therefore, the Applicant could not declare itself satisfied of having the right to use the Mark in Canada in that its use is contrary to the provisions of sections 9 and 11 of the *Industrial Design Act*, RSC 1985, c I-9;
- 3. The Mark is not distinctive within the meaning of section 2 of the Act and cannot be used as a trade-mark to distinguish the Applicant's Products from those of others, and more specifically those of the Opponent bearing the embossed designs reproduced below:





In addition, the Applicant's Mark is not distinctive and cannot be used as a trademark to distinguish the Applicant's Products from those of others, nor is it capable of distinguishing them, since the Mark is a design embossed over several layers of tissue serving only as an ornament or decoration;

In addition, the Applicant's Mark is not distinctive and cannot be used as a trademark to distinguish the Applicant's Products from those of others, nor is it capable of distinguishing them, since the Mark is a drawing embossed over several layers of tissue covered with packaging and therefore cannot be seen by consumers at the time of the transfer of ownership.