IN THE MATTER OF AN OPPOSITION

by N.V. Sumatra Tobacco Trading Company to application No. 1,032,991 for

the trade-mark HERO now in the name of

Player's Company Inc.

On October 19, 1999, Imperial Tobacco Limited filed an application to register the trade-mark

HERO (the "Mark") based upon use of the Mark in Canada since at least as early as 1900 in

association with manufactured tobacco products. The application was subsequently owned by

Imasco Limited and is now in the name of Player's Company Inc. These three owners will be

collectively referred to as the "Applicant".

The application was advertised for opposition purposes in the Trade-marks Journal of May 16,

2001. On October 16, 2001, N.V. Sumatra Tobacco Trading Company (the "Opponent") filed a

statement of opposition against the application. The Applicant filed and served a counter

statement.

As rule 41 evidence, the Opponent filed the affidavit of Victoria Prince. The Applicant has

submitted that Ms. Prince's affidavit should be accorded reduced weight because it is not the role

of evidence to take the form of a member of a party's law firm analyzing the evidence; that is the

role of written argument. I agree and therefore will accept Ms. Prince's affidavit as merely

showing that the exhibits attached to her affidavit exist.

The Applicant cross-examined Ms. Prince on her affidavit and the transcript of cross-

examination forms part of the record.

As rule 42 evidence, the Applicant filed the affidavits of Neil Blanche, Margaret Kruszewski and

Eileen Castellano. Although the Opponent obtained orders for the cross-examination of the first

two of these affiants, the Opponent did not conduct any cross-examinations.

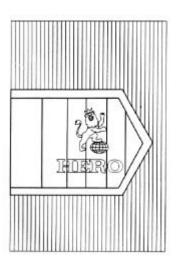
Each party filed a written argument and each was represented at an oral hearing.

1

Grounds of Opposition

The grounds of opposition are summarized below:

- 1. The application does not comply with the requirements of s. 30(b) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act") because the Applicant has not used the Mark in Canada in association with the wares since the claimed date of first use; in the alternative, if such use was made, the use was abandoned prior to the filing of the application.
- 2. The Applicant is not the person entitled to registration of the Mark pursuant to s. 16(1)(b) of the Act because at the date of filing of the application, the Mark was confusing with the Opponent's trade-mark HERO & Design, in respect of which the Opponent had previously filed an application for registration, namely s.n. 1,031,841 filed October 8, 1999. HERO & Design is shown below.



Material Dates

The material date with respect to the s. 30(b) ground is the filing date of the application. [See *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469 at 475] The material date with respect to the s. 16(1)(b) ground is the Applicant's claimed date of first use. However, where an opponent successfully challenges an applicant's claimed date of first use under a s. 30(b) ground of opposition, the material date for assessing a s. 16(1) ground of opposition may become the applicant's filing date. [See *American Cyanamid Co. v. Record Chemical Co. Inc.* (1972), 6 C.P.R. (2d) 278 (T.M.O.B.); *Everything for a Dollar Store (Canada) Inc. v. Dollar Plus Bargain Centre Ltd.* (1998), 86 C.P.R. (3d) 269 (T.M.O.B.)]

Section 30(b) Ground of Opposition

The resolution of this ground is pivotal, both parties agreeing that the outcome of the proceedings depends on it.

In *Hearst Communications Inc. v. Nesbitt Burns Corp.*, (2000) 7 C.P.R. (4th) 161 (T.M.O.B.) at 164-5, Board Member Martin discussed the onus on each party with respect to a s. 30(b) ground of opposition as follows:

... the onus or legal burden is on the applicant to show that its application conforms with the requirements of Section 30(b) of the Act: see the opposition decision in *Joseph E. Seagram & Sons Ltd. v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325 (T.M.O.B.) at 329-330, and the decision in *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.). There is, however, an evidential burden on the opponent respecting its allegations of fact in support of that ground. That burden is lighter respecting the issue of non-conformance with Section 30(b) of the Act: see the opposition decision in *Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986), 10 C.P.R. (3d) 84 (T.M.H.O.) at 89. Furthermore, Section 30(b) requires that there be continuous use of the applied for trade-mark in the normal course of trade since the date claimed: see *Labatt Brewing Co. v. Benson & Hedges (Canada) Ltd.* (1996), 67 C.P.R. (3d) 258 (F.C.T.D.) at 262. Finally, the opponent's evidential burden can be met by reference to the applicant's own evidence: see *Labatt Brewing Co. v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.) at 230.

The Opponent has filed the affidavit of Ms. Prince in an effort to satisfy its onus. Ms. Prince has provided copies of the evidence filed on behalf of the Applicant when it opposed the present Opponent's application No. 773,162 [*Imperial Tobacco Ltd. v. N.V. Sumatra Tobacco Trading Co.* (1999), 3 C.P.R. (4th) 279 (T.M.O.B.), affmd. 11 C.P.R. (4th) 501 (F.C.T.D.)]. In that evidence, specifically the affidavit of Denise Johnson, it was stated that the Applicant has "marketed and sold cigarettes and related products in Canada in association with its PLAYER'S and Hero Logo trade-mark since early in the 1900's" and the Chairman of the Opposition Board at that time held that such use was not use of the word mark HERO. Moreover, Ms. Johnson provided a page from the Applicant's "Graphics Standards Manual" which stated that the HERO Logo should never appear alone, but should appear with the signature word PLAYER'S and certain diagonal stripes. The Applicant's HERO Logo is shown below:



It is debatable if the Opponent can rely on the Johnson affidavit attached as an exhibit to Ms. Prince's affidavit, since the contents of such affidavit are hearsay in the hands of Ms. Prince. However, the Applicant did not raise a hearsay objection and I need not address the issue because the Applicant's own affiant, Mr. Blanche, attaches the same Johnson affidavit as an exhibit to his affidavit and confirms its content to be accurate and true. [Paragraph 3, exhibit "1", Blanche affidavit]

I find that the Johnson affidavit, as filed by Ms. Prince, meets the Opponent's light evidential burden. Alternatively, I find that the Applicant's own evidence serves to satisfy the Opponent's initial burden. The Applicant's evidence does so in two ways: 1) by the adoption of the Johnson affidavit by Mr. Blanche; and 2), as discussed below, the overall evidence of the Applicant casts doubt on the claimed date of first use, as well as on continued use since that date.

It is noted that of all the 42 registrations owned by the Applicant for variations of its HERO Logo, not one of them claims use since 1900. For example, even one of the oldest of the Applicant's registrations, TMDA11355, which issued on October 26, 1906 for the following mark, does not claim use in Canada since as early as 1900:



[Although it is not clear from the size of this drawing, the word "hero" does appear on the man's hat.]

In *Imperial Tobacco Ltd. v. N.V. Sumatra Tobacco Trading Co. (supra), a*t pages 285-6, the Chairman of the Opposition Board discussed the Applicant's HERO Logo as follows:

... having regard to the size of the lettering used by the opponent in its logo appearing on its wares and the fact that the logo is dominated by the representation of a sailor and other subject matter and is accompanied by the trade-mark PLAYERS, I would not expect the average consumer of the opponent's cigarettes or other tobacco products to have become aware that the word HERO appears on the cap worn by the sailor in the opponent's logo. Further, while the opponent's trade-mark registrations identify the word HERO as appearing on the cap of the sailor appearing in the opponent's logo, the average consumer would not be aware of the contents of the opponent's trade-mark registrations.

The opponent's evidence shows that its logo has appeared in billboard advertising, stadium scoreboards, in-store counter units and displays, storefront faces and painted panels of company trucks and in other promotional materials where the lettering of the word HERO would be larger in size than it appears on the packages of the opponent's cigarettes. However, I am not convinced that, even in such situations as these, the word HERO appearing in the logos would have been noticed by the average person and would therefore have become recognized by the average consumer as being associated with the opponent's wares. At most, the Johnson affidavit points to reference to the HERO mark having appeared in sponsorship materials which are distributed to persons involved in organizing or staging activities being sponsored by the opponent. However, there is no evidence to show that these materials come to the attention of the average consumer of cigarettes. As a result, I find that the average consumer would not sound the opponent's trade-marks by reference to the word HERO and the presence of the word HERO in the opponent's marks does not have any impact on the ideas suggested by the opponent's marks.

Whether or not *res judicata* may apply in opposition proceedings, the reasoning of the Chairman in the above quote is persuasive.

The evidence in the case at hand does not show the word HERO ever appearing outside the HERO Logo. The evidence does show advertisement of the HERO Logo in 1900, but that does not assist the Applicant in meeting its legal onus for two reasons: 1) advertisement is not use in

association with wares [See s. 4 of the Act]; and 2) use of the HERO Logo is not use of HERO simpliciter [See Nightingale Interloc Ltd. v. Prodesign Ltd. (1984), 2 C.P.R. (3d) 535 at 538-9 and Registrar of Trade Marks v. CII Honeywell Bull, S.A., 4 C.P.R. (3d) 523].

Regarding the second point, it appears that the word "hero" never had any independent identity apart from the logo in which it forms an insignificant part.

While I fully accept that a party is entitled to use more than one trade-mark in association with a single product, the word "hero" does not stand out from the composite HERO Logo mark as a whole, and would not as a matter of first impression be perceived as a separate trade-mark. In fact, although the logo in question has been referred to as the HERO Logo, it is my view that it would be more appropriately identified as the PLAYER'S NAVY CUT & Design mark.

I consider the appearance of the word "hero" on the hat to be of so little importance that I believe that if the word on the sailor's hat was to be deleted or changed to something other than "hero", then under the test set out in *Promafil Canada Ltée v. Munsingwear Inc.*, 44 C.P.R. (3d) 59 the change would be insubstantial because the HERO logo would retain its character and be recognizable.

In order to function as a trade-mark, a mark must be "used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others". [See section 2 of the Act] The evidence does not show that HERO *simpliciter* has been so used. [I note that there is no evidence that the Applicant's products are, or ever have been, identified as HERO cigarettes, when ordered or sold.]

The Applicant argued that it would be overly onerous to require an applicant to demonstrate use of a trade-mark that took place a hundred years ago. Although I appreciate the obstacles that might be encountered in trying to do so, as pointed out by the Opponent, it was always open to the Applicant to claim a later date of first use, *i.e.* one that it can properly substantiate. [I also note that in addition to not showing use of the Mark as of 1900, the Applicant has also not shown

use as of any date.]

For the foregoing reasons, the Applicant has not satisfied its legal onus and the s. 30(b) ground of opposition succeeds.

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I refuse the application pursuant to s. 38(8).

DATED AT TORONTO, ONTARIO, THIS 10th DAY OF JULY 2006.

Jill W. Bradbury Member Trade-marks Opposition Board