

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

Citation: 2015 TMOB 29 Date of Decision: 2015-02-19

IN THE MATTER OF AN OPPOSITION by Benisti Import-Export Inc. to application No. 793899(1) for the trade-mark BELOW ZERO in the name of Mark's Work Wearhouse Ltd.

Introduction

[1] Benisiti Import-Export Inc. (the Opponent) opposes registration of the trade-mark
BELOW ZERO (the Mark) that is the subject of application No. 793899(1) filed by Mark's Work
Wearhouse Ltd. (the Applicant).

[2] The application was filed on October 27, 2011 to extend the list of products covered by registration TMA466,053 to include:

Footwear namely, work boots (Products 1);

Clothing namely, underwear namely, thermal underwear namely, tops, pants, one-piece, underwear namely, briefs, boxers (Products 2); and

Footwear namely, insulated footwear namely, outdoor and winter footwear, waterproof footwear namely, waterproof outdoor footwear and rain footwear, casual footwear, boots and shoes; clothing namely, loungewear; clothing accessories namely, visors; clothing namely, scarves and neck warmers; handwear namely, insulated gloves, mittens, liners for mitts and gloves, and convertible gloves; headwear namely, insulated hats and caps, toques, balaclavas, ear muffs, and earbands. (Products 3);

(Products 1, Products 2 and Products 3 are collectively referred to therein as the Products).

[3] The Mark has been used in Canada since: 2007 in association with Products 1; 2009 in association with Products 2; and 2010 in association with Products 3.

[4] The opposition was brought by the Opponent under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). The grounds of opposition pleaded in a statement of opposition filed by the Opponent can be grouped under three categories: those pertaining to non-conformity issues under section 30 of the Act; those pertaining to non-distinctiveness of the Marks under sections 2, 48(2) and 50 of the Act; and those regarding the likelihood of confusion between the Mark and the Opponent's Registered trade-marks (as defined in paragraph 8 of Annex A) made up of the words POINT ZERO, as well as the Opponent's trade name POINT ZERO. The grounds of opposition are detailed in Annex A to this decision.

[5] For the reasons explained below, I reject the opposition.

The Record

[6] The application was advertised in the *Trade-marks Journal* on January 11, 2012. The Opponent filed its statement of opposition on March 12, 2012. The Applicant filed and served a counter statement in which it denied each and every ground of opposition pleaded by the Opponent.

[7] The Opponent filed as evidence the affidavit of Mario Morellato. Mr. Morellato was crossexamined and the transcript is part of the record. The Applicant's evidence consists of the affidavits of Iain Summers, Jennifer Allen and Jill Roberts.

[8] Both parties filed written argument and were represented at the hearing.

The parties' respective burden or onus

[9] The legal onus is on the Applicant to show that its application does not contravene the provisions of the Act as alleged in the statement of opposition. 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, there is also an evidential burden on the Opponent to prove the facts inherent to its pleadings. The presence of an evidential burden on the Opponent means that in order for a ground of opposition to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that ground of opposition exist [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 remarks

Answers to undertakings

[10] As mentioned earlier, Mr. Morellato, the Opponent's Vice-President Financial, was crossexamined. During his cross-examination several undertakings were made. However no reply to undertakings was provided by the Opponent. The Applicant is arguing that where a party fails to respond to undertakings, a negative inference must be made concerning the subject matter of the undertakings in question [see *Wiley Publishing Inc v Hall-Chem Manufacturing Inc* (2010), 86 CPR (4th) 121 (TMOB)].

[11] I agree with the Applicant. However not all the issues that were the subject of undertakings are relevant to the outcome of this opposition. I will draw a negative inference from the Opponent's failure to supply answers with respect to the following undertakings:

- To provide the names of customers who communicated with the Opponent concerning instances of confusion between the Opponent's trade-mark POINT ZERO and the Mark;
- To file any correspondence relating to instances of confusion between the Opponent's trade-mark POINT ZERO and the Mark;
- The date when the Opponent began selling socks in association with the trade-mark POINT ZERO;
- To file any correspondence concerning complaints or enquiries received with respect to the use of the trade-mark PZERO by an entity identified during the cross-examination as 'Pirelli';
- Did the Opponent stop selling prior to 2011 snowboards, textiles, bedspreads, tablecloths, and work boots in association with the trade-mark POINT ZERO.
- [12] Consequently I infer that:

- There was no complaint by customers concerning confusion with the Mark;
- There has been no recent sales of socks by the Opponent (or its licensees) in association with the trade-mark POINT ZERO;
- There has been no complaint with respect to the use of the trade-mark PZERO by 'Pirelli';
- The Opponent stopped selling before 2011 snowboards, textiles, bedspreads, tablecloths, and work boots in association with the trade-mark POINT ZERO.

Opponent's Presence at the Hearing

[13] Only the Applicant requested a hearing following the Registrar's notice sent to the parties pursuant to Rule 46(3) of the *Trade-marks Regulations*. The Registrar gave the parties more than 3 months notice of the date, place and time of the hearing. It was only a few days prior to the hearing and after the Applicant filed its List of Cases that the Opponent expressed, for the first time, its intention to participate to the hearing.

[14] The Applicant objected to the Opponent's participation to the hearing as it failed to comply to the provisions of Rule 46(3) and the provisions of the practice notice entitled *Practice in Trade-marks Opposition Proceedings*, effective March 31, 2009. The Opponent's agent argued that it was only a few days before the hearing that he received instructions from the Opponent to be present at the hearing. Furthermore the Opponent's agent stated that he would mainly rely on the Opponent's written argument and would only reply to the Applicant's oral arguments, if deemed necessary. It was under these circumstances that I allowed the Opponent to make representations at the hearing.

Issue of Confusion

[15] On the issue of likelihood of confusion between the Mark and the Opponent's Registered trade-marks, I consider the Opponent's best chances of success are with its trade-mark POINT ZERO as all the other marks have either an additional word component and/or a design element that serves to distinguish those marks from the Mark.

Grounds of opposition summarily dismissed

[16] The Opponent did not filed any evidence to meet its initial evidential burden with respect to the grounds of opposition based on the alleged Applicant's failure to meet the requirements specified in section 30 of the Act. The same applies to the two prongs of the distinctiveness ground of opposition based on non-compliance to section 50 of the Act and on the allegation that the Mark is solely functional or merely decorative. All these grounds of opposition are dismissed (grounds 1 through 5 inclusive and 13 b), c) and d) as detailed in Annex A).

[17] As for the ground of opposition based on the introductory paragraph of section 16(1) of the Act, it does not form the basis of a ground of opposition as defined in section 38(2) of the Act since section 16(1) as a whole relates to the non-entitlement ground of opposition. Accordingly I dismiss that ground of opposition (ground number 12 in Annex A).

[18] The Opponent raised the ground of opposition based on section 16(1)(c) of the Act, namely that, at the alleged dates of first use of the Mark, it was creating confusion with the Opponent's trade name POINT ZERO. However there is no evidence of use by the Opponent of the trade name POINT ZERO in Canada. What will be described in detail below relates to the trade-mark POINT ZERO. Consequently that ground of opposition is also dismissed (ground 11 as described in Annex A).

[19] Even if I were to consider on its own the allegation that the Applicant would not be a 'person' within the meaning of section 2 of the Act as a proper ground of opposition, there is no evidence to support such allegation. Consequently this ground of opposition is also dismissed (ground 6 as described in Annex A).

[20] The Opponent pleaded that the Mark is not registrable in view of section 12(1)(b) of the Act in that the Mark, whether depicted, written or sounded, would be either clearly descriptive or deceptively misdescriptive in the English language of the character or quality of the Products in association with which it is alleged to have been used. The Opponent added in its statement of opposition that indeed, when depicted, written or sounded, the average consumer is likely to believe that the Products are made to be worn when the outside temperature is below zero Celsius.

[21] Again the Opponent has not filed any evidence to support such ground of opposition. It has an initial burden to adduce factual evidence [see *Sherwood Brands Overseas Inc v Linkletter (PEI) Ltd* (2001), 15 CPR (4th) 385 (TMOB)]. Moreover, neither in its written argument nor at the hearing did the Opponent raise this issue. Consequently I also dismiss this ground of opposition (ground 7 as described in Annex A).

[22] What remains to be decided are grounds of opposition number 8 to 10 inclusive (i.e. registrability under section 12(1)(d) and entitlement under sections 16(1)(a) and (b) of the Act) as well as number 13 a) (distinctiveness) as described in Annex A.

The relevant dates

[23] The relevant date for the analysis of each of the remaining grounds of opposition that need to be discussed varies depending on the ground of opposition to be assessed:

- The registrability of the Mark under section 12(1)(d) of the Act: The date of the Registrar's decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 at 424 (FCA];
- Entitlement to the registration of the Mark, where the application is based on use: The alleged date of first use (December 31, 2007 for Products 1, December 31, 2009 for Products 2 and December 31, 2010 for Products 3) [see section 16(1) of the Act];
- Distinctiveness of the Mark: The filing date of the statement of opposition (March 12, 2012) is generally accepted to be the relevant date [see *Andres Wines Ltd and E & J Gallo Winery* (1975), 25 CPR (2d) 126 at 130 (FCA) and *Metro-Goldwyn-Meyer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FCTD)].

[24] The difference in the relevant dates associated to the remaining grounds of opposition will not have an impact on the outcome of these grounds of opposition.

Entitlement (section 16(1)(a) of the Act)

[25] Under this ground of opposition, the Opponent had the initial burden to show prior use of its Registered trade-marks or that they were made known in Canada by the Opponent or its predecessors in title.

[26] Mr. Morellato alleges in his affidavit that:

- the Opponent manufactures, imports and distributes high quality garments, in particular, coats, jackets, shirts, sweaters and pants under the trade-mark POINT ZERO and other trade-marks referred to in his affidavit across Canada and exports them into many countries around the world including the USA;
- products and in particular garments bearing the trade-mark POINT ZERO are sold and advertised in many countries in the world including Australia, Canada, USA, Europe, South America and the Middle East;
- the Opponent has advertised and marketed its products bearing the trade-mark POINT ZERO and the other trade-marks mentioned in his affidavit extensively and continuously throughout Canada;
- He further alleges that the Opponent promotes its trade-marks and products through its website at www.point-zero.com.

[27] Mr. Morellato also filed photographs of such advertisements with their description, time of advertisement and location.

[28] As pointed out by the Applicant in its written argument, Mr. Morellato did allege in his affidavit that the Opponent has used its trade-mark POINT ZERO in Canada since at least July 1st, 1984; made extensive sales of products bearing the trade-mark POINT ZERO; and did extensive advertising to promote products bearing such trade-mark. However, no sales figures or advertising figures were provided in his affidavit.

[29] Moreover, there is no evidence in the record of use of the trade-mark POINT ZERO or any of the Registered trade-marks in Canada in association with any products within the meaning of section 4(1) of the Act. There are samples of advertisements filed as exhibit D to Mr. Morellato's affidavit but mere advertising of products in association with a trade-mark does not constitute proper evidence of use of that trade-mark in association with products [see *Nissan Canada Inc v BMW Canada Inc* (2007), 60 CPR (4th) 181 (FCA)].

[30] On the copies of some of the samples of advertisements filed by Mr. Morellato as exhibit D to his affidavit, there is information on the time period during which such advertisements were in place and where they were on display. I shall now summarize such information to determine if the Opponent's trade-mark POINT ZERO could have become known in Canada at the relevant dates:

- the billboard 'POINT ZERO ocean' was first published in February 2001. However we have no information on the duration of such advertisement and the extent of its publication as the information provided makes reference to 'all major shopping center in Montreal' without identifying them;
- the second billboard advertising 'POINT ZERO-Nicole Benisti' was displayed on 700 Bus Shelters in Montreal during the months of January and February 2005;
- advertisement 'POINT ZERO-Bags' displayed on buses in Ontario between July 22 and August 22, 2002. However we do not have the number of buses that displayed such advertisement. Without that figure it is impossible to assess the magnitude of such campaign;
- advertisement displayed on 230 VIACOM billboards in Quebec City in February and March 2006 bearing the trade-mark POINT ZERO;
- advertisement 'POINT ZERO-Optical' displayed on 250 bus shelters in Toronto for 4 weeks beginning May 16, 2005;
- advertisement 'POINT ZERO-MP3 Watch' displayed on buses and all major shopping centers in Montreal in December 2000. Again we have no information on the number of buses and the names of the shopping centers that displayed such advertisement;
- advertisement 'POINT ZERO-Colori' displayed on 300 bus sides in Montreal during the months of September, October, November and December 2005;
- advertisement 'POINT ZERO-Belts' displayed on buses in Toronto starting in February 2001. However we do not have the number of buses that displayed such advertisement and the time period during which it was on display;
- advertisement 'POINT ZERO-Cuir' displayed in the Montreal Metro in August and September 2000;
- advertisement POINT ZERO displayed in 200 major malls across Canada, except in the province of Quebec and in Western Canada during the months of November and December 2004.

[31] I note that there are, as part of exhibit D to Mr. Morellato's affidavit, extracts of POINT ZERO magazine but we have no information on the extent of their distribution in Canada. Also there is evidence of advertisements on billboards in the United States of America, but we have no information on the extent of their visibility to Canadians.

[32] From this evidence, despite its flaws as discussed above, I conclude that the Opponent's trade-mark POINT ZERO was known in Canada at the different relevant dates applicable to this ground of opposition. I may add that even though various trade-marks were advertised, I consider each advertisement described above to be advertisement of the Opponent's word mark POINT ZERO as the additional words are descriptive of either the products being advertised or represent the real of fictitious name of a person appearing on the advertisement. If the Opponent is not successful under this ground of opposition with its trade-mark POINT ZERO it would not be successful with any of its other Registered trade-marks that may have been known in Canada at the relevant dates.

[33] Consequently I have to determine if, at any of the relevant dates, the Mark when used in association with the Products was confusing with the Opponent's trade-mark POINT ZERO. The ultimate burden is on the Applicant to show that it was not.

[34] The test to determine the likelihood of confusion is set out in section 6(2) of the Act wherein it is stipulated that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would likely lead to the inference that the products associated with those trade-marks are manufactured, sold or leased by the same person, whether or not the products are of the same general class. The test under section 6(2) of the Act does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In making such assessment I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the products or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance, sound, or in the ideas suggested by them.

[35] Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [see *Clorox Co v Sears Canada Inc* (1992), 41 CPR (3d) 483 (FCTD) and *Gainers Inc v Marchildon* (1996), 66 CPR (3d) 308 (FCTD)]. I also refer to the decisions of the Supreme Court of Canada in *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 (SCC) where Mr. Justice Binnie commented on the assessment of the criteria enumerated under section 6(5) of the Act to determine if there is a likelihood of confusion between two trade-marks.

[36] Also, as stated by the Supreme Court of Canada in *Masterpiece Inc v Alavida Lifestyles Inc et al* (2011), 96 CPR (4th) 361 (SCC), in the majority of cases, the degree of resemblance between the marks in issue is the most important factor. Consequently I will start my analysis with the assessment of the degree of resemblance between the parties' respective marks.

Degree of resemblance

[37] The common element to both marks is the word 'zero'. It is the second element of the parties' respective trade-marks. It has been said that the first element of a trade-mark is often the most important one as it serves to determine if a consumer is able to distinguish them [see *Pernod Ricard v Molson Breweries* (1992), 44 CPR (3d) 359].

[38] The first word of each trade-mark is not only different but it serves to qualify the word 'zero'. The word 'below' combined with the word 'zero', when used in association with the Products suggests that they could be used in cold or 'below zero' temperatures.

[39] As for the word 'point' the following evidence is part of the record. Ms. Roberts, a law clerk, was asked by the Applicant's agent firm to conduct searches using the search engine Google in order to determine if the expression 'size zero' or 'size 0' is used in the clothing industry to designate a clothing size. She filed extracts of articles published in various fashion magazines (Cosmopolitan for example) explaining the various clothing size charts that include size 0 and size 00. She also visited various websites of clothing retail stores, including Old Navy Canada, The Gap Canada, Reitmans, Sears Canada, to name some of them, where articles of clothing of size 0 were offered for sale.

[40] The Registrar has the discretion to consult dictionaries to obtain the meaning of words [see *National Laser Products Limited v Canada (Registrar of Trade-marks)* (1976), 28 CPR (2d) 59 (FCTD)]. I therefore consulted the French dictionary *Nouveau Petit LE ROBERT*, and it provides among many definitions, the following definition for the word 'point':

'Chaque unité d'une échelle de grandeurs ou d'indice' which could be translated 'each unit of a size scale or indicia'.

[41] Consequently when used in association with articles of clothing, POINT ZERO could suggest, to a French or bilingual consumer, 'size zero' which is obviously different than the meaning of the Mark. Therefore not only are the marks in issue different visually (the first portion of the marks being different), in sound but also in the ideas suggested by them. This factor clearly favours the Applicant.

[42] Nevertheless I will proceed with the analysis of the other relevant factors to determine, if favourable to the Opponent, they outweigh the lack of resemblance between the marks in issue.

Inherent distinctiveness of the marks and the extent to which they have become known

[43] I agree with the Applicant that each of the parties' trade-mark is composed of suggestive words as discussed above, and thus possesses a low degree of inherent distinctiveness. Therefore each one of them will be entitled to a narrow ambit of protection.

[44] The degree of distinctiveness of a trade-mark may be enhanced through its use or promotion in Canada. I have already discussed the use and promotion of the Opponent's trademark POINT ZERO in Canada. From that evidence I conclude that the Opponent's trade-mark POINT ZERO was known in Canada but to a limited extent at the relevant dates as the Opponent did not provide any sales figures.

[45] Mr. Summers is the Vice President, Industrial, Footwear, Accessories and Product Innovation with the Applicant. He has provided yearly sales figures going back to 2008 of men's and ladies' socks as well as labels used in association with socks. However socks are not part of the Products and there is no evidence of use of the Mark, at any of the relevant dates, in association with the Products. [46] Mr. Summers also provided the yearly sales figures for 2010 to 2012 inclusive of footwear (approximately \$800,000 in total) and accessories (over \$1 million in total) sold by the Applicant in association with the Mark. He filed samples of labels and footwear boxes bearing the Mark. He also filed pictures of footwear.

[47] Given the sales figures provided by the Applicant, I conclude that this factor slightly favour the Applicant but will not be a determining factor in the outcome of this case.

The length of time the marks in issue have been in use

[48] There is no evidence of use of the Opponent's trade-mark POINT ZERO in association with any products within the meaning of section 4(1) of the Act, namely no evidence that there has been a transfer of property from the Opponent to customers of any products in association with the trade-mark POINT ZERO. On the other hand I have evidence of use of the Applicant's Mark in association with footwear and accessories as discussed previously.

[49] This factor favours the Applicant.

The nature of the wares and services and the parties' respective channels of trade

[50] The Applicant concedes in its written argument that there is an overlap between the respective products of the parties. However it tries to minimize such overlap by referring to the state of the register evidence. I will discuss separately the argument of the state of the register.

[51] As for the channels of trade, the Applicant argues that the evidence shows that the Products would be sold exclusively in the Applicant's retail outlets or on-line from the Applicant's website. To support such contention it refers to paragraph 8 of Mr. Summers' affidavit. However the application does not contain such restriction. If the application is allowed, the Applicant would be at liberty to sell the Products through any channels of trade.

[52] Moreover, during his cross-examination Mr. Morellato stated that the Applicant has been selling since 1991 in its retail stores products bearing the trade-mark POINT ZERO (see pages 13-14). However, he did not specify which products of the Opponent were offered for sale in the Applicant's retail stores.

[53] Given the overlap in the nature of the parties' products and that some of the Opponent's goods have been sold through the Applicant's retail stores in the past, I assume that the parties' channels of trade could also overlap.

[54] I conclude that these factors favour the Opponent.

State of the Register evidence

[55] State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD)]. Inferences about the state of the marketplace can only be drawn from state of the register evidence where a large number of relevant registrations have been located [see *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[56] Jennifer Allen has been an employee of the Applicant's agent firm. She states that the Products are classified under the *International Classification of Goods and Services for the Purposes of the Registration of Marks* as class 25 heading (Int'l Class 25), namely: Clothing, footwear, headgear.

[57] Ms. Allen conducted on March 5, 2013 a search of the register to locate all trade-marks that include the term POINT in the trade-mark and filed in Int'l Class 25. She repeated the search on May 27, 2013 for an update and located 84 citations, all listed in paragraph 6 of her affidavit. She filed as exhibit 2 to her affidavit the particulars of those 84 citations.

[58] She conducted a similar search for trade-marks that include the term ZERO and obtained 52 citations that are summarized in paragraph 8 of her affidavit. She filed as Exhibit 3 to her affidavit the particulars of those 52 citations. Out of those 52 citations, 13 marks are owned by the Opponent and 2 by the Applicant.

[59] In its written argument the Applicant did an analysis of the state of the register evidence but failed to take into consideration the various relevant dates associated to each ground of opposition. Under the present ground of opposition the oldest relevant date is December 31, 2007. Taking into consideration only the citations that existed on the register prior to such date, there are

13 relevant citations identified in Table 2 to Ms. Allen's affidavit and they are (identified by citation number in Table 2):

29	ZERO-FLAME
30	ZERO RESTRICTION
31	ZERO ZERO RESTRICTION GOLF OUTERWEAR USA & Design
33	ZERO PRESSURE
35	ZERO XPOSUR
37	PZERO
38	PZERO
43	ABSOLUTE ZERO
44	ZEROTEN & Design
45	ZERO EDGE
47	ZERO-STRESS
50	ZERO DEGREE
50	

52 ZEROZONE

[60] I consider such number of citations to be sufficient to draw an inference that the word 'ZERO' is commonly used in the trade as part of a trade-mark used in association with clothing items such that a consumer is accustomed to distinguish them.

[61] I consider the state of the register evidence to be a relevant factor favouring the Applicant.

Coexistence of the marks in issue without instances of confusion

[62] As stated previously, this application was filed to extend the list of products covered by registration TMA466,053. Ms. Allen filed a copy of an extract of the register. The original application was filed in 1995 on the basis of use since at least as early as 1985. The existing registration covers socks.

[63] Mr. Summers, in his affidavit, states that the Applicant has been selling socks bearing the Mark since 1985 in its retail stores. He states that, to his knowledge, no one has communicated with the Applicant to report any instances of confusion between the marks in issue. As mentioned previously, during his cross-examination Mr. Morellato mentioned that the Applicant has been selling since 1991 in its retail stores products bearing the trade-mark POINT ZERO.

[64] Given that the coexistence of the marks referred to by Mr. Summers concerns socks and not the Products, I am not giving much weight to this factor.

Conclusion

[65] The marks in issue have a low degree of inherently distinctiveness; despite having a common component, namely the word 'ZERO', the first element of each mark is different and the ideas suggested by the marks of the parties are different. Finally the state of the register evidence shows numerous trade-marks having as a component the word ZERO.

[66] Therefore, I conclude that the Applicant has discharged its burden to prove that the Mark was not confusing with any of the Opponent's Registered trade-marks at any of the relevant dates mentioned above when used in association with the Products.

[67] Consequently the ground of opposition based on section 16(1)(a) of the Act is dismissed (ground 9 as described in Annex A).

Ground of opposition based on section 16(1)(b) of the Act

[68] The Opponent alleges that the Applicant was not entitled to the registration of the Mark at the relevant date (October 27, 2011) as it was confusing with its trade-mark PZ HEAT TECH DEPARTMENT POINT ZERO & Design as illustrated below, subject of application 1,472,367 previously filed:



[69] A copy of an extract of the register concerning this application has been filed as exhibit C to Mr. Morellato's affidavit. I checked the register and the application was still pending at the time the present application was advertised (January 11, 2012) [see section 16(4) of the Act]. It covers men's, women's and children's garments. Consequently the Opponent has met its initial burden under this ground of opposition.

[70] Therefore I have to determine if there was a likelihood of confusion between the Mark and the trade-mark PZ HEAT TECH DEPARTMENT POINT ZERO & Design at the relevant date. For reasons similar to those detailed under the previous ground of opposition, I conclude that the Applicant has discharged its burden to show that there was no likelihood of confusion between the Mark and the trade-mark PZ HEAT TECH DEPARTMENT POINT ZERO & Design at the relevant date when used in association with the Products.

[71] I may add the following comments. As for the inherent distinctiveness of the marks in issue, I consider the trade-mark PZ HEAT TECH DEPARTMENT POINT ZERO & Design to be more inherently distinctive than the Mark because of the design element. However that feature serves as an additional element to distinguish the marks. The additional words 'PZ HEAT TECH DEPARTMENT' decrease the degree of resemblance between the marks in issue. Finally, there are additional relevant citations in the state of the register evidence (Table 2 to Ms. Allen's affidavit) to take into consideration given the later relevant date associated to this ground of opposition.

[72] Consequently this ground of opposition is also dismissed (ground 10 as described in Annex A).

Distinctiveness ground of opposition

[73] The Opponent has the initial evidential burden to prove that at least one of its Registered trade-marks had become sufficiently known in Canada at the relevant date (March 12, 2012) to negate the distinctiveness of the Mark [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 at 58 (FCTD)]. Once this initial burden is met, the Applicant has a legal onus to show, on a balance of probabilities, that the Mark was not likely causing confusion with the Opponent's Registered trade-marks at the relevant date such that it was adapted to distinguish or actually did distinguish throughout Canada the Products from the Opponent's products and/or services [see *Muffin Houses Incorporated v The Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272 (TMOB)].

[74] Even if I were to conclude that the Opponent has met its initial burden under this ground of opposition by relying on the evidence of advertisement of its trade-mark POINT ZERO described under the ground of opposition based on section 16(1)(a) of the Act and detailed above,

the same conclusions reached under that ground of opposition when assessing the likelihood of confusion between the Opponent's trade-mark POINT ZERO and the Mark would be applicable under this ground of opposition.

[75] Consequently I dismiss this ground of opposition (ground 13 a) as described in Annex A).

Registrability under Section 12(1)(d) of the Act

[76] From the list of the Opponent's Registered trade-marks, as stated at the outset, the Opponent has the best chance of success under this ground of opposition with its registration TMA800,971 (POINT ZERO) which covers among other products: socks, sweatshirts, running shoes, snow pants, sleepwear, bathrobes and tailored suits. The other Registered trade-marks cited by the Opponent under this ground of opposition contain a distinctive design feature and/or additional words that render more remote the likelihood of confusion between those marks and the Mark.

[77] The Opponent has met its initial burden with the filing by Mr. Morellato of an extract of the register that corresponds to the Opponent's registration TMA800,971 (POINT ZERO).

[78] For similar reasons than those exposed under the ground of entitlement (section 16(1)(a) of the Act), I conclude that the Applicant has discharged its onus to prove that there is no likelihood of confusion between the Mark and the Opponent's registered trade-mark POINT ZERO when used in association with the Products.

[79] I may add that, given the relevant date is the date of my decision, I had to take into consideration all 28 citations taken from the state of the register evidence (table 2 to Ms. Allen's affidavit) listed in paragraph 67 of the Applicant's written argument. Consequently, the state of the register evidence is more voluminous under this ground of opposition when compared to the relevant citations considered under the ground of opposition based on section 16(1)(a) of the Act..

[80] Accordingly, this ground of opposition is also dismissed (ground 8 as described in Annex A).

Disposition

[81] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

Jean Carrière Member Trade-marks Opposition Board Canadian Intellectual Property Office

Annex A

- 1. The Applicant never used the Mark in association with each of the Products and the alleged dates of first use are false contrary to section 30(b) of the *Trade-marks Act* RSC 1985, c T-13, (the Act);
- 2. The application does not comply with the requirements of section 30(b) and (h) of the Act in that the trade-mark allegedly used in Canada is not the Mark but another, different from the one referred to in the application;
- 3. The use of the Mark in association with each of the Products has not been continuous for each of the Products contrary to section 30(b) of the Act;
- 4. The Mark is not a trade-mark since it is solely functional or ornamental and decorative only contrary to section 30(b) of the Act;
- 5. The statement that the Applicant is satisfied as to its entitlement to the use of the Mark in Canada is false in view of the content of the present opposition, including the knowledge of the Applicant of the rights of the Opponent as herein alleged and the unlawfulness of said use, if any, as:
 - a) such use would be, was and is unlawful in that such use is encroaching upon the Opponent's proprietary rights, as alleged therein;
 - b) such use would be, was and is unlawful, in such use is likely to have the effect of depreciating the value of the goodwill attached to the trade-marks alleged by the Opponent, contrary to section 22 of the Act;
 - c) such use would be, was and is unlawful in that it would direct public attention to Applicant's products, services or business in such a way as to cause confusion in Canada between these products, and those of the Opponent contrary to section 7(b) of the Act;
- 6. The Applicant is not a 'person';
- 7. The Mark is not registrable in view of section 12(1)(b) of the Act in the Mark, whether depicted, written or sounded, is either clearly descriptive or deceptively misdescriptive in the English language of the character or quality of the Products in association with which it is alleged to have been used. Indeed, when depicted, written or sounded, the average consumer is likely to believe that the Products are made to be worn when the outside temperature is below zero Celsius;

- 8. The Mark is not registrable in view of section 12(1)(d) of the Act since the Mark is confusing with the Opponent's registered trade-marks:
 - P ZERO, certificate of registration TMA 786,620;
 - POINT ZERO, registration TMA309,311
 - POINT ZERO, registration TMA800,971
 - POINT ZERO LUXURY, registration TMA693,470;
 - POINT ZERO and P Design, registration TMA695,670;
 - ZERÖ NINETEEN, registration TMA792,777;
 - 19 ZERÖ and design, registration TMA792,776; (the Opponent's Registered trade-marks).
- 9. The Applicant is not the person entitled to the registration of the Mark pursuant to section 16(1)(a) of the Act in that at the date of real first use the Mark was confusing with the Opponent's Registered trade-marks that had been previously used in Canada or made known in Canada by the Opponent or its predecessors in title in association with the products listed under each of the registrations mentioned above;
- 10. The Applicant is not the person entitled to the registration of the Mark pursuant to section 16(1)(b) of the Act in that at the date of real first use the Mark was confusing with the following trade-mark for which an application had been previously filed, namely application No. 1472367 for the trade-mark PZ HEAT TECH DEPARTMENT POINT ZERO and Design;
- 11. The Applicant is not the person entitled to the registration of the Mark pursuant to section 16(1)(c) of the Act in that at the date of real first use the Mark was confusing with the trade-name POINT ZERO previously used in Canada by the Opponent, its predecessors in title or for its benefit, by licensees;
- 12. The Applicant is not the person entitled to the registration of the Mark pursuant to the introductory paragraph of section 16(1) of the Act in that the application does not comply with the requirements of section 30 of the Act; the Mark has not been used as said or such use has not been continuous as the case may be; and the Mark is not registrable or does not function as a trade-mark, namely that the Mark does not or is not adapted to distinguish the products of the Applicant from those of others, including those of the Opponent being solely functional or merely decorative; and the Applicant is not a person;
- 13. Pursuant to section 38(2)(d) of the Act, the Mark is not distinctive of the products or services of the Applicant since:

- a) The Mark does not actually distinguish the products or services in association with which the Mark is used or proposed to be used by the Applicant from the products or services of the Opponent, nor is adapted to so distinguish them in view of the above;
- b) The Mark is used outside the scope of the licensed use provided for by section 50 of the Act, including by L'Équipeur;
- c) Subsequent to its transfer, there remains rights belonging to two or more persons including L'Équipeur, to the use of trade-marks confusing with the Mark and those rights were exercised by those persons, contrary to subsection 48(2) of the Act;
- d) The Mark does not and is not adapted to distinguish the products or services of the Applicant from those of others, including those of the Opponent, being solely functional or merely decorative.