

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

Citation: 2015 TMOB 127 Date of Decision: 2015-07-16

IN THE MATTER OF AN OPPOSITION

Vogue Shoes Inc. Opponent

and

Walk'N Comfort Inc. Applicant

1,470,135 for Walk'N Comfort

Application

FILE RECORD

[1] On February 19, 2010, Sandy Han filed an application to register the mark **Walk'N Comfort** (my highlight to indicate trade-mark significance) based on proposed use in Canada in association with the following goods and services:

goods orthopedic shoes, comfort shoes, custom orthotics

services

foot care services namely, custom orthotic fitting, orthopedic shoe fitting, shoe modification, custom made shoe measurements, compression stocking fittings, casting for custom made orthotics

[2] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated November 14, 2012 and was opposed by Vogue Shoes Inc. on January 29, 2013. The Registrar forwarded a copy of the statement of opposition to the applicant on February 26, 2013, as required by section 38(5) of the *Trade-marks Act*, R. C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the allegations

in the statement of opposition. During the course of this proceeding, the subject application was assigned to Walk'N Comfort Inc.

[3] The opponent's evidence consists of the affidavits of George Kereluk (2 affidavits, sworn August 8 and 9, 2013); Leanne Willmore; Ron Woodburn; Joanne Latham; Jenny-Lind Collins; Jennifer Warner; Wilfred Wan; and Marianne Crozier. The applicant's evidence consists of the affidavits of Michael Gaspar (2 affidavits) and Alexander Shaw. The opponent's reply evidence consists of a further affidavit of George Kereluk (sworn January 8, 2014) as well as the affidavits of Jonathan Aiyadurai and Bethany Watson. Neither party conducted cross-examinations. Both parties filed written arguments and both were represented at an oral hearing.

STATEMENT OF OPPOSITION

- [4] The statement of opposition pleads that the opponent is the owner of the mark **Walk in Comfort** (my highlight to indicate trade-mark significance), which the opponent has used and made known in Canada since 1990 in association with foot-related services and goods.
- [5] The agents for the opponent, at paragraph 14 of its written argument, note that the opponent was unrepresented at the time the opposition commenced:

The Opponent prepared and submitted the Opposition unrepresented. The Opposition raised various grounds as the basis of the Opposition, some of which were not applicable to this Opposition or to trade-mark opposition proceedings generally. We ask that the Opposition be proceeded[sic] only on the following two grounds, which were covered by the Opposition filed by the Opponent:

- A. **Registrability under Section 16(3)(a) and (c):** The Applicant is not the person entitled to registration of the Opposed Mark. The Opposed Mark is not registrable pursuant to section 16(3)(a) and (c) of the *Trade-marks Act* (the "Act") because the Opposed Mark is confusingly similar with the trade-mark and trade name[sic] of the Opponent which were previously used by the Opponent in Canada.
- **B.** <u>Non-Distinctiveness under Section 2</u>: The Opposed Mark is not distinctive of the Applicant because of the prior use of [sic] certain confusingly similar trade-mark and trade name [sic] by the Opponent in Canada.

[6] The applicant, at paragraph 10 of its written argument, submits that:

There is only one issue in this opposition: Is the Trademark[sic][the applied-for mark **Walk'N Comfort**] confusing with a trademark[sic] or trade name[sic] previously used in Canada by the Opponent, namely WALK IN COMFORT?

- [7] In my view, the determinative issue for decision is whether the applied-for mark **Walk'N Comfort** is confusing with the opponent's mark **Walk in Comfort**. The material dates to determine the issue of confusion are (i) the date of filing the application (February 19, 2010) with respect to the grounds of opposition based on section 16 and (ii) the date of opposition (January 29, 2013) with respect to the issue of distinctiveness arising under s.2: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v*. *Canadian Retired Persons* (1998), 84 CPR (3d) 198 at 206 209 (FCTD).
- [8] In the circumstances of this case, nothing turns on which material date is selected to determine the issue of confusion, although the opponent's case is stronger at the earlier material date, that is, before the applied-for mark had acquired any significant distinctiveness.
- [9] Before considering the issue of confusion, I will review the evidence of record; the evidential burden on the opponent and the legal onus on the applicant; the meaning of confusion within the context of the *Trade-marks Act*; and the statutory factors to take into account when deciding the likelihood of confusion.

OPPONENT'S EVIDENCE

George Kereluk

[10] Mr. Kereluk identifies himself as the President and Secretary of the opponent company. The opponent was incorporated under the laws of British Columbia in 1986. In 1990, the opponent obtained a business name registration for "Walk In Comfort Shoes." The opponent has been in the business of selling comfort and orthopedic footwear under the trade-mark and tradename **Walk in Comfort** on Vancouver Island since 1990. As of August 2013, the opponent was operating six retail stores on Vancouver Island.

- [11] The opponent sells adult and elderly non-custom footwear as well as orthopedic footwear. Attached as Exhibit 2 to Mr. Kereluk's affidavit is a list of eleven podiatrists who have referred patients to fill shoe prescriptions.
- [12] The opponent's mark is prominently displayed above the entrance to its stores, on shopping bags provided to customers, on invoices issued at the time of purchase, on its business card, and on company letterhead. The opponent has advertised, promoted and marketed its mark extensively, mostly through local publications. Expenditures incurred in such activities amounted to about \$70,000 in 2001 rising steadily to \$170,000 in 2009; \$180,000 in each of the years 2010 and 2011; and \$190,000 in 2012.
- [13] Revenues for the stores operating under the mark and trade-name **Walk in Comfort** amounted to \$220,000 in 1991 rising steadily to \$5.3 million in 2012. Total revenues for the period 1991 to 2012 inclusive amounted to about \$50 million.
- [14] Based on a review of the applicant's website, Mr. Kereluk points out similarities in the parties' stores. For example, in addition to custom made orthotics, the applicant, like the opponent, sells comfort shoes, orthopedic shoes and orthopedic insoles; the parties sell the same or comparable brands of shoes.
- [15] The opponent has received two telephone calls from suppliers in the belief that they were calling the applicant.

Leanne Willmore

[16] Ms. Willmore identifies herself as a manager of one of the opponent's stores. She states that on numerous occasions customers have asked for shoes that they saw advertised on the opponent's website. However, the opponent does not have a website. It is fairly clear from her recounting of conversations with the customers that they had mistaken the applicant's website for a website operated by the opponent.

Ron Woodburn; Jenny-Lind Collins

[17] Both affiants are salespersons at the opponent's stores. Both recount incidents with customers similar to those experienced by Ms. Willmore.

Joanne Latham

[18] Ms. Latham identifies herself as a manager of one of the opponent's stores. Her testimony is a follows:

During the months of August 2013 and September 2013 two different customers visited the Store and they told me that they had visited our Toronto store. I advised them that we do not have a store in Toronto. The customers insisted that we have a store in Toronto called Walk In Comfort.

Jennifer Warner; Wilfred Wan

[19] Ms. Warner identifies herself as a friend of Mr. Kereluk. Her testimony is fairly summarized at para. 42 of the opponent's written argument:

Ms. Warner visited the WNC store [the applicant's store] located in Vaughan, Ontario and purchased a pair of fashion boots. During the course of her visit, Ms. Warner was not offered any assistance in the selection or fitting of the shoes or any services at all by the staff of the store, nor was she offered any services or provided information as to the availability of custom orthotic services in the store. Ms. Warner commented that her shopping experience in WNC was no different than any other shoe stores she had visited.

[20] Mr. Wan identifies himself as a friend of the trade-mark agent for the opponent. He visited one of the applicant's stores in Richmond Hill. His experience in the applicant's store was the same as Ms. Warner's.

Marianne Crozier

- [21] Ms. Crozier identifies herself as a paralegal employed by the firm representing the opponent. Her affidavit serves to introduce exhibit materials into evidence, discussed below.
- [22] Exhibit A consists of filing notices giving details of trade-mark applications filed by the opponent in 2013. The applications are for the marks WALK IN COMFORT and WALK IN COMFORT & Design, covering the retail sale of footwear.

- [23] Exhibits B and C are letters (dated July 4, 2014) from the Examination Section of The Canadian Intellectual Property Office (which organization, among other things, administers trade-mark applications and registrations) objecting to the opponent's above-noted applications on the basis that they are confusing with the mark that is the subject of this opposition proceeding.
- [24] Ms. Crozier's evidence is of little probative value because this Board takes into consideration a greater number of circumstances than the Examination Section in making a determination on whether trade-marks are confusing.

APPLICANT'S EVIDENCE

Michael Gaspar

Mr. Gaspar identifies himself as the President of Walk'N Comfort Inc. ("Walk'N Comfort"), which company was licensed by the original applicant to use the applied-for mark Walk'N Comfort (prior to the assignment referred to in para 2, above). Walk'N Comfort is primarily a foot care clinic, often selling corrective footwear to fill a prescription written by a foot care specialist. Walk'N Comfort also sells name brand footwear and orthodics through a specialty store attached to its clinic. Almost all (99.9%) of its sales are for corrective or preventive footwear products custom-altered for the specific patient, and paid for by medical insurance plans. The first store began using the applied-for mark May 2010; as of December 2013, three stores were operating, all in Ontario. The applied-for mark is used extensively in day to day operation of the business on business cards, prescription forms, informational pamphlets, patient referral and information forms, and on shopping bags. The applied-for mark is featured in magazine and flyer advertising. Advertising costs have amounted to \$500,000 as of December 2013. Total sales under the mark from May 2010 to October 2013 amounted to \$8.25 million. Sales of services and footwear are almost exclusively in the Greater Toronto area, where the Walk'N Comfort stores are located, which is not surprising given the nature of the footwear business. In this regard, most people will not buy footwear that they have not handled and tried on for a fit. Mr. Gaspar had never heard of the opponent's mark until this proceeding

commenced. To his knowledge there has never been an instance of confusion between the applied-for mark and the opponent's mark **Walk in Comfort**.

[26] Mr. Gaspar further explains, at para. 4 of his second affidavit, how the applicant's business differs from the opponent's business which is essentially a specialized retail shoe store operation:

Regarding the statement . . . that the opponent sell[sic] shoes to "accommodate orthotics," that is no different from any other shoe retailer. Most shoes can accommodate an orthotic, with the orthotic being made to specifications dictated by the patient's pathology, but the footwear itself is sold unchanged. Almost any shoe can "accommodate" an orthotic. The applicant has registered chiropodists practicing in our in-store clinics who prescribe custom-made orthotics and modified orthopedic shoes, in addition to routine chiropody services The applicant does all of its footwear modifications and orthotic adjustments, as well as fitting for compression stockings, on site.

Alexander Shaw

[27] Mr. Shaw identifies himself as a lawyer in the city of Toronto. In December 2013 he browsed various web pages specified by counsel for the applicant. The contents of the web pages are attached as Exhibit A to his affidavit. At para. 13 of the applicant's written argument, the applicant submits that Exhibit A shows that the term "walk in comfort" is commonly used as a descriptive phrase by traders in the footwear industry. I agree that Exhibit A supports the applicant's submission.

OPPONENT'S REPLY EVIDENCE

George Kereluk

[28] Mr. Kereluk notes that the applicant's website contains a page entitled "Shop by Brand" showing that "a large selection of generic [i.e., non-customized] footwear [is] offered for sale" by the applicant. Mr. Kereluk further notes that (i) the parties carry several of the same brands, and (ii) while the opponent does not carry all the brands offered by the applicant, the opponent "carries comparable brands which share the same or similar design and function as the brands carried by Walk'N Comfort." He further notes that about one third of the opponent's customers request shoes that accommodate orthotics.

Johathan Aiyadurai

[29] Mr. Aiyadurai identifies himself as a lawyer with the firm representing the opponent. He provides statistical data which, according to my calculations, indicate that on an annual basis about 4,800 people from Toronto visit Victoria as tourists. His evidence supports the opponent's position that some of the customers to its stores in Victoria reside in Toronto and would be familiar with the applicant's stores.

Bethany Watson

[30] Ms. Watson identifies herself as a legal assistant employed by the firm representing the opponent. Her affidavit serves to introduce exhibit materials, *en liasse*, into evidence, namely, copies of pages from the Internet showing third party uses of the terms "walk & comfort" and "walk and comfort." I have perused the exhibit materials and, without any guidance from the opponent concerning their significance, I am unable to determine how the evidence assists the opponent.

LEGAL ONUS AND EVIDENTIAL BURDEN

- [31] As mentioned earlier, before considering the issue of confusion, it is necessary to review, among other things, (i) the evidential burden on the opponent to support the allegations in the statement of opposition and (ii) the legal onus on the applicant to prove its case.
- [32] With respect to (i) above, there is in accordance with the usual rules of evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 CPR (3d) 293 at 298 (FCTD). The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist. With respect to (ii) above, the legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition (for those allegations for which the opponent has met its evidential burden). The presence of a legal onus on the applicant means that if a determinate conclusion

cannot be reached once all the evidence is in, then the issue must be decided against the applicant.

[33] In the instant case, the opponent's evidence suffices to put the allegation of confusion into issue.

WHEN ARE TRADE-MARKS CONFUSING?

[34] Trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of s.6(2) of the *Trade-marks Act*, shown below:

The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services . . . associated with those trade-marks are manufactured . . . or performed by the same person, whether or not the goods or services . . . are of the same general class.

[35] Thus, s.6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by s.6(2) is whether purchasers of the applicant's shoes, sold under the mark **Walk'N Comfort** in the applicant's retail store, or clients of the applicant's foot-care services, provided under the mark **Walk'N Comfort**, would believe that those goods and/or services were provided or produced or authorized or licensed by the opponent who provides retail store services under the mark **Walk in Comfort**. The legal onus is on the applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

TEST FOR CONFUSION

[36] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are "all the surrounding circumstances including" those specifically mentioned in s.6(5)(a) to s.6(5)(e) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as the weight to be given to each

depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 CPR(3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 CPR(4th) 361 (SCC), although the degree of resemblance is the last factor cited in s.6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

CONSIDERATION OF S.6(5) FACTORS

First Factor - Inherent and Acquired Distinctiveness

The applied-for mark **Walk'N Comfort** possesses a very low degree of inherent distinctiveness as the mark is highly suggestive, if not clearly descriptive, of the results obtained by purchasing the applicant's goods and services: see *S.C. Johnson & Son, Ltd. et al. v. Marketing International Ltd.* (1979) 44 CPR (2d) (SCC). Similarly, the opponent's mark **Walk in Comfort** possesses a very low degree of inherent distinctiveness as the mark is highly suggestive, if not clearly descriptive, of the results obtained by purchasing shoes from the opponent's retail stores. The opponent's mark, however, would have acquired a higher degree of distinctiveness at both material dates owing to sales and advertising under its mark beginning in 1990. The first factor therefore weighs in favour of the opponent at both material dates.

Second Factor - Length of Time the Parties' Marks have been in Use

[38] The opponent began to use its mark in 1990 and the evidence shows substantial use and promotion of its mark since 2001. The applicant did not begin to use the applied-for mark until 2010. The second factor therefore favours the opponent.

Third and Fourth Factors - Nature of the Parties' Goods, Services, Businesses and Trades
[39] My understanding of the evidence is that the applicant's primary business is providing foot care services and that its retail shoe store operates as an adjunct to its primary business. By contrast, the opponent's only business focus is its retail shoe store. However, the evidence also shows that there is considerable overlap in the parties' retail store operations, particularly from the perspective of the ordinary consumer who does not require orthotic foot care services. In my view, the third and fourth factors, considered together, favour the opponent.

Fifth Factor – Degree of Resemblance between the Parties' Marks

[40] The last factor needs little discussion. The parties' marks are identical aurally and in ideas suggested, and are nearly identical visually. The last factor therefore strongly favours the opponent.

Other Surrounding Circumstances

[41] The instances of alleged actual confusion related by employees of the opponent (see paras 16, 17 and 18, above) are to be considered as a surrounding circumstance. Evidence of actual confusion will of course support an opponent's case. However, in the instant case it is difficult to ascertain whether the customers' remarks were the result of mistake between the marks themselves rather than actual confusion. I have therefore given little weight to this evidence.

APPLICANT'S SUBMISSIONS

- [42] The applicant, in its written argument, submits that **Walk'N**, the first component of the applied-for mark, is not a proper grammatical term and has some inherent distinctiveness. I agree. The applicant further submits that the first component of a mark is the most important for the purposes of distinction (I agree), and because the opponent's mark is not entitled to a wide scope of protection (I agree), then the marks in issue must be found to be not confusing:
 - 39. It is trite law that weak marks must be accorded a low scope of protection. See for example *General Motors Corp. v. Bellows*, [1949] S.C.R. 678 at 691 (SCC):
 - ... where a party has reached inside the common trade vocabulary for a word mark and seeks to prevent competitors from doing the same thing, the range of protection to be given him should be more limited than in the case of an invented or unique or non-descriptive word . . .
 - 40. That is precisely the case here. The Opponent seeks to monopolize a broad scope around the clearly descriptive phrase "walk in comfort" for footwear-related wares and services, which is not permissible.
- [43] I agree with the applicant that the opponent's mark is not entitled to a broad scope of protection because in my view, the applied-for mark is highly suggestive, if not clearly descriptive, of the results obtained by using the opponent's retail shoe store services. However, despite counsel's for the applicant vigorous and comprehensive submissions at the oral hearing, I

do not agree that the opponent is seeking to monopolize the phrase "walk in comfort." In this

proceeding, it is not the opponent who is seeking to register its marks.

[44] Should the opponent proceed in its attempt to register the marks referred to in paras 22

and 23, above, then the applicant may choose to oppose the applications (presumably the

applications are effectively stayed pending the outcome of this proceeding). The questions of

whether the opponent's marks are not registrable because they are clearly descriptive, or

registrable pursuant to the saving provisions of s.12(2) of the Trade-marks Act (i.e., if they have

become distinctive), or registrable because they are not clearly descriptive, are not in issue in this

proceeding.

DISPOSITION

[45] In view of the foregoing, I find that, at the material dates, the applicant has not met the

legal onus on it to show, on a balance of probabilities, that the marks in issue are not confusing.

The subject application is therefore refused. The result would have been the same had I given no

weight whatsoever to the opponent's evidence of actual confusion.

[46] I would add that, in finding for the opponent, I consider that I am nevertheless according

the opponent's mark a low ambit of protection. In this regard, the parties' marks are very nearly

identical and there is significant overlap in the parties' wares, services, businesses and trades.

While counsel for the applicant submitted sound legal arguments, the facts in this case weigh

decidedly in favour of the opponent.

[47] This decision has been made pursuant to a delegation of authority by the Registrar of

Trade-marks under section 63(3) of the *Trade-marks Act*.

Myer Herzig, Member,

Trade-marks Opposition Board

Canadian Intellectual Property Office

Hearing Date: 2015-03-26

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Appearances

Kathleen Lemieux For the Opponent

Mark B. Eisen For the Applicant

Agents of Record

Borden Ladner Gervais For the Opponent

Mark B. Eisen For the Applicant