



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

Citation: 2012 TMOB 95
Date of Decision: 2012-05-08

**IN THE MATTER OF AN OPPOSITION
by Home Hardware Stores Limited to
application No. 1,325,328 for the trade-
mark REACTOR in the name of Cascade
Designs, Inc.**

[1] On November 22, 2006, Cascade Designs, Inc. (the Applicant) filed an application to register the trade-mark REACTOR (the Mark) based on proposed use of the Mark in Canada in association with portable stoves. The application claims a convention priority filing date of May 23, 2006.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of October 17, 2007. On January 21, 2008, Home Hardware Stores Limited (the Opponent) filed a statement of opposition against the application. The Opponent has pleaded grounds of opposition pursuant to sections 38(2)(a), (b), (c) and (d) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

[3] In support of its opposition, the Opponent filed an affidavit of James Haggerty. The Haggerty affidavit simply provides copies of the three registrations that the Opponent relies upon in its pleadings.

[4] In support of its application, the Applicant filed an affidavit of Heidi Richter. The Richter affidavit simply introduces copies of pages printed from the website *www.homehardware.ca* on

June 8, 2009. The Applicant also filed a copy of an affidavit of Eric J. Hobbs but, by letter dated July 22, 2009, the Applicant was informed that because the purported affidavit of Mr. Hobbs was a copy rather than an originally executed document, it had not been made of record.

[5] The Opponent requested an order for the cross-examination of both Ms. Richter and Mr. Hobbs, but an order only issued with respect to Ms. Richter in view of the fact that the Hobbs affidavit was not part of the record. In the end, no cross-examinations were conducted.

[6] Both parties filed a written argument. An oral hearing was held at which only the Applicant was represented.

Onus

[7] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

Section 38(2)(b)/12(1)(d) Ground of Opposition

[8] The material date for assessing a section 12(1)(d) ground of opposition is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].

[9] The Opponent has pleaded that the Mark is not registrable pursuant to section 12(1)(d) because it is confusing with three registered trade-marks that it owns, namely:

- i) registration No. TMA306,534 for UNIVAL REACTOR & Design (shown below) registered August 30, 1985 for “automotive products, namely automotive batteries”



ii) registration No. TMA417,538 for REACTOR & Design (shown below) registered October 1, 1993 for “portable furnaces”



iii) registration No. TMA658,892 for REACTOR ENERGY & Design (shown below) registered October 1, 1993 for “batteries, namely, flashlight, lantern, flashlights, lanterns; heaters, namely, electric”.



[10] Of the three pleaded registrations, only one is currently extant. Registrations No. TMA417,538 and TMA658,892 were both expunged on September 28, 2011. Accordingly, the Opponent has only met its initial burden insofar as registration No. TMA306,534 is concerned and the remainder of the section 12(1)(d) ground is dismissed.

[11] Section 6(2) of the Act indicates that 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 wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[12] The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has been in use; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC), *Veuve Cliquot Ponsardin v Boutiques Cliquot Ltée* (2006), 49 CPR (4th) 401 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC).]

the inherent distinctiveness of the marks

[13] Both marks are inherently distinctive, but the Opponent's UNIVAL REACTOR & Design mark possesses a greater degree of inherent distinctiveness due to its incorporation of the invented word UNIVAL and its design features.

the extent to which each mark has become known

[14] There is no evidence that the Opponent's mark has been used or promoted. Although its registration refers to a declaration of use having been filed on May 21, 1985, that only supports an assumption of *de minimis* use of the Opponent's trade-mark [see *Entre Computer Centers, Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)].

[15] As the Hobbs affidavit is not of record, there is no evidence that the Applicant's Mark has become known.

[16] A consideration of the extent to which the parties' marks have become known favours neither party.

the length of time the marks have been in use

[17] There is no evidence that the Opponent has made any use, let alone continuous use, of its mark since the filing of its declaration of use. Nor is there evidence of the length of time that the Applicant's Mark has been in use. Therefore, this factor also favours neither party.

the nature of the wares, services, business and trade

[18] The wares at issue are "automotive batteries" versus "portable stoves". There is no connection between such wares and no reason to assume that they would be sold in close proximity to each other. Accordingly a consideration of these factors favours the Applicant.

the degree of resemblance between the marks

[19] It is a well accepted principle that the first portion of a trade-mark is the most relevant for the purposes of distinction, and it is noted that the Opponent's mark begins with the unique word UNIVAL [see *Conde Nast Publications Inc v Union des Editions Modernes* (1979), 46 CPR (2d) 183 at 188 (FCTD)]. Nevertheless, when considering the marks as a whole, there is a resemblance between the marks due to the common word REACTOR.

[20] Therefore, although there are differences between the parties' marks, I find that overall the degree of resemblance between the marks favours the Opponent.

conclusion

[21] Having considered all of the surrounding circumstances, I find that the Applicant has satisfied me that, on a balance of probabilities, confusion is not likely between UNIVAL REACTOR & Design automotive batteries and REACTOR portable stoves. The issue is whether a consumer who has a general and not precise recollection of the Opponent's mark, will, upon seeing the Applicant's Mark, be likely to think that the two wares share a common source. Given the unrelated nature of the parties' wares and the fact that the common word "reactor" is an ordinary dictionary word, confusion as to source is not likely.

[22] The section 38(2)(b)/12(1)(d) ground of opposition is therefore dismissed.

Section 38(2)(c)/16(3)(a) Ground of Opposition

[23] The Opponent has pleaded that the Mark is confusing with the three afore-mentioned marks of the Opponent, which it alleges were used prior to May 23, 2006. However, the mere statement of use in a registration is insufficient to satisfy the Opponent's initial burden under section 16. The section 38(2)(c)/16(3)(a) ground is accordingly dismissed on the basis that the Opponent has not met its initial burden.

38(2)(d)/Distinctiveness Ground of Opposition

[24] The Opponent has pleaded that the Mark is not distinctive of the wares of the Applicant because the Mark is not and cannot be distinctive of the Applicant, nor is it adapted to distinguish the Applicant's wares from the wares of the Opponent. However, there is no evidence that establishes that any of the Opponent's marks had, as of the material date of January 21, 2008, acquired a reputation in Canada that was sufficient to affect the distinctiveness of the Applicant's Mark [see *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC)]. The section 38(2)(d) ground of opposition is therefore dismissed on the basis that the Opponent has not met its initial burden.

Section 38(2)(c)/30(e) Ground of Opposition

[25] The Applicant has pleaded that the application does not conform to section 30(e) of the Act because the Applicant does not and did not intend to use the Mark in Canada in association with portable stoves. However, the Opponent has not put forth any evidence in support of such allegation and the Applicant's evidence is not clearly inconsistent with the Applicant's stated intention. The ground therefore is dismissed on the basis that the Opponent has not met its initial burden. Contrary to the Opponent's submissions, the Applicant is not obliged to file evidence to support its stated intention until the Opponent has satisfied its initial burden.

Section 38(2)(c)/30(i) Ground of Opposition

[26] The Applicant has pleaded that the application does not conform to section 30(i) of the Act because the Applicant could not have been satisfied that it is entitled to use the Mark since it

is confusing with the Opponent's marks. However, where an applicant has provided the statement required by section 30(i), such a ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The Applicant has provided the required statement and there is no evidence that this is an exceptional case. The ground is accordingly dismissed.

Hobbs Affidavit

[27] In its written argument, the Applicant submitted that the Hobbs affidavit ought to be considered to be part of the record. However, I will not address its submissions since a ruling on that point would not affect the outcome of the proceeding, given that the Applicant has succeeded with respect to each ground of opposition without the assistance of the Hobbs affidavit.

Disposition

[28] 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.

Jill W. Bradbury
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office