

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

### Citation: 2016 TMOB 73 Date of Decision: 2016-05-13

### IN THE MATTER OF AN OPPOSITION

Leone International Marketing Inc.

Opponent

and

Arash Jahroudi

Applicant

#### 1,515,270 for SOLEONE

Application

[1] Leone International Marketing Inc. opposes registration of the trade-mark SOLEONE (the Mark) that is the subject of application No. 1,515,270 by Arash Jahroudi.

[2] Filed on February 15, 2011, the application is based on proposed use of the Mark in Canada in association with "clothing, namely, socks, underwear, T-shirts, pants, belts, hats and jackets".

[3] The Opponent alleges that (i) the application does not conform to several of the requirements set out in section 30 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), (ii) the Mark is not registrable under section 12(1)(d) of the Act, (iii) the Applicant is not the person entitled to the registration of the Mark under section 16 of the Act, and (iv) the Mark is not distinctive under section 2 of the Act.

[4] For the reasons that follow, I refuse the application.

The Record

[5] The Opponent filed its statement of opposition on October 17, 2012. The Applicant filed and served his counter statement on December 31, 2012, denying all of the grounds of opposition.

[6] In support of its opposition, the Opponent filed the affidavit of Deanna Shannon, a trademark agent employed by the Opponent's agent firm; the affidavit of Kevin White, Advertising Manager of the Opponent; and certified copies of registration Nos. TMA329,967 and TMA693,886. In support of his application, the Applicant filed his own affidavit and the affidavit of Francis Callanan, a teacher with qualifications granted by The Ontario College of Teachers. The Opponent further filed a second affidavit of Deanna Shannon as its reply evidence. None of the affiants were cross-examined.

[7] Only the Opponent filed a written argument; neither party requested a hearing.

## The Parties' Respective Burden or Onus

[8] The Applicant bears the legal onus of establishing, on a balance of probabilities that his 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 Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298].

## Does the Application Conform to the Requirements of Section 30 of the Act?

[9] The Opponent pleads that the application does not conform to sections 30(a), 30(e) and 30(i) of the Act. The material date for assessing a section 30 ground is the filing date of the application, namely February 15, 2011 [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475].

## Section 30(a) of the Act

[10] The Opponent alleges that the application does not comply with section 30(a) of the Act in that "the statement of [goods] contained in the application [is] not defined in ordinary commercial terms of the specific [goods] in association with which the Mark has allegedly been used". The Opponent did not identify the goods in question, nor did it provide or refer to any evidence or make any submissions with respect to this ground of opposition. The section 30(a) ground is therefore summarily dismissed for the Opponent's failure to satisfy its initial evidential burden.

#### Section 30(e) of the Act

[11] Since the application contains a statement that the Applicant by itself or through a licensee intends to use the Mark in Canada, it formally complies with section 30(e) of the Act. Thus the issue becomes whether or not the Applicant has substantially complied with section 30(e) of the Act. There is an initial evidential burden on the Opponent to establish the facts relied upon by it in support of its claim of non-compliance with section 30(e) of the Act, whether by relying on its own evidence or that of the applicant [see *Molson Canada v Anheuser-Busch Inc* (2003), 2003 FC 1287 (CanLII), 29 CPR (4th) 315 (FC) at 334].

[12] In its statement of opposition, the Opponent pleads that the application does not comply with section 30(e) of the Act in that "the application does not include an accurate statement that the applicant, by itself or through a licensee, intends to use the [Mark] in Canada in that the applicant does not intend to use the [Mark] in association with the [*sic*] all of the [goods] set out in the application".

[13] However, in its written argument, the Opponent submits that the application does not comply with section 30(e) of the Act as "the evidence shows that the intended user of the [Mark] was, at all material times, Soleone Luxury Basics Inc. and not the Applicant". The Opponent relies on both of Ms. Shannon's affidavits and refers to Mr. Jahroudi's affidavit filed by the Applicant in support of its allegation that the intended user of the Mark was Soleone Luxury Basics Inc., not the Applicant. The Opponent did not file any evidence nor make any submissions in support of its allegation that the Applicant does not intend to use the Mark with all of the applied for goods.

[14] Where an opponent has pleaded that the application fails to comply with a section of the Act based on a particular set of circumstances, it is not permissible to refuse it on the basis that it does not comply with that section of the Act for reasons different than those pleaded. In the present case, as the issue of use by an entity other than the Applicant has not been raised in the statement of opposition under the section 30(e) ground, I am precluded from considering it [see *Le Massif Inc v Station Touristique Massif du Sud* (1993) Inc (2011), 95 CPR (4th) 249 (FC) at paras 27-29].

[15] I would add that even if I were wrong, having reviewed the evidence in question, I am not satisfied that the Opponent has met its initial evidential burden in putting in question the veracity of the statement made pursuant to section 30(e) of the Act by the Applicant in his application as of February 15, 2011.

[16] In this regard, the Opponent points to the following evidence, most of which appeared to have been extracted after the material date:

- a printout of a webpage extracted from the website located at *www.soleone.net* on July 24, 2013 bearing the Mark as part of a design, along with the inscription "Copyright © 2011 Soleone Luxury Basics Inc. All Rights Reserved" at the bottom of the printout [Exhibit D to Ms. Shannon's affidavit sworn July 26, 2013];
- undated photos of men's underwear bearing the Mark as they appear on models attached as Exhibit A to Mr. Jahroudi's affidavit;
- printouts of webpages extracted from the website located at *www.soleone.net* on February 22, 2013 bearing the Mark as part of a design, along with the inscription "Copyright © 2011 Soleone Luxury Basics Inc. All Rights Reserved" at the bottom of the printouts. The printouts also show photos of men's underwear bearing the Mark as they appear on models, similar to the ones found in Mr. Jahroudi's affidavit [Exhibit A to Ms. Shannon's affidavit sworn December 20, 2013];
- printout of the "About Us" webpage extracted from the website located at *www.soleone.net* on February 22, 2013 identifying the Mark, along with a description of the philosophy behind Soleone Luxury Basics, the fabrics, and an explanation of the "Soleone Sunlion logo". The inscription "Copyright © 2013

Soleone Luxury Basic Inc., All Rights Reserved." appears at the bottom of the printout [Exhibit B to Ms. Shannon's affidavit sworn December 20, 2013]; and

 the BC Company Summary, Notice of Change of Directors and Notice of Articles for Soleone Luxury Basics Inc. extracted from BC Online database located at *www.bconline.gov.bc.ca* on December 3, 2013, with no reference to the Applicant.

[17] In its written argument, the Opponent submits that evidence of use of the Mark by Soleone Luxury Basics Inc., a company incorporated in British Columbia that does not appear to be related to the Applicant, is clearly inconsistent with the claim made by the Applicant in his application. Notably, the Opponent argues that although the Applicant states that he intended to use the Mark, he has not provided anything in support of the bald assertion, such as a business plan, a contract between himself and the manufacturer of the products to be sold, or a license agreement with Soleone Luxury Basics Inc. whose clothing website appears in association with the Mark. The Opponent further points to the lack of contracts, invoices, agreements, or a website "that connects [the Applicant's] name to the goods".

[18] While I accept that the facts regarding the Applicant's intention to use the Mark are particularly within the knowledge of the Applicant, there is nevertheless an initial evidential burden on the Opponent to adduce sufficient evidence to support its allegation of the application's non-conformity to section 30(e) of the Act. It is not until the Opponent has discharged its initial evidential burden that the Applicant is required to substantiate the claim that he intended to use the Mark in association with the applied for goods at the time of filing of the application.

[19] In the present case, the Opponent's evidence shows that the Mark appears on a website that belongs to a company identified as Soleone Luxury Basics Inc. A search of the British Columbia business database revealed no apparent connection between the Applicant and Soleone Luxury Basics Inc. Even so, photos similar to those found on the Soleone Luxury Basics Inc.'s website are attached to the Applicant's own affidavit as evidence of use of the Mark.

[20] Setting aside the fact that most of the Opponent's evidence appears to reference a time after the material date, the mere fact that the Applicant's relationship with Soleone Luxury Basics Inc. has not been explained is not sufficient to put into question the veracity of the

Applicant's statement to the effect that he intended to use the Mark in association with the applied for clothing items as of February 21, 2011. The Applicant has no obligation to provide any evidence to substantiate his "bald assertion", such as a business plan, a contract between himself and the manufacturer of the products to be sold, invoices, or a license agreement with Soleone Luxury Basics Inc., nor does he have any obligation to explain his relationship with the latter, until the Opponent has successfully cast serious doubt on the Applicant's claim regarding his intention to use the Mark, by himself or through a licensee with the applied for goods.

[21] When the evidence is viewed in its entirety and in the absence of cross-examination of Mr. Jahroudi on his affidavit, I fail to see any inconsistency between the Applicant's section 30(e) statement as of February 15, 2011 and the fact that a company identified as Soleone Luxury Basics Inc. operates a website related to the applied for goods bearing the Mark after that date.

[22] In view of the foregoing, I dismiss the section 30(e) ground of opposition.

#### Section 30(i) of the Act

[23] The Opponent pleads that the Applicant could not have been satisfied that it is entitled to use the trade-mark in Canada, contrary to section 30(i) of the Act, having regard to the Opponent's extensive use and registration of the trade-marks LEONE and L2 LEONE & Design, the particulars of which are set out in Schedule "A" to this decision.

[24] Section 30(i) of the Act requires an applicant to declare in the application that it is satisfied that it is entitled to use the trade-mark in Canada. Where an applicant has provided the required statement, the jurisprudence suggests that non-compliance with section 30(i) of the Act can be found only where there are exceptional circumstances that render the applicant's statement untrue [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The Opponent has not done so.

[25] The mere fact that the Opponent has alleged prior use or registration of its trade-marks in association with the same or the same type of goods as those of the Applicant in Canada is not by itself sufficient to put into question section 30(i) of the Act. Likewise, the mere fact that the

Applicant might have been aware of the Opponent's use and registration of its trade-marks in Canada, which has not been shown or pleaded, is also not sufficient by itself to suggest bad faith and to put into question section 30(i) of the Act [see *Woot, Inc v WootRestaurants Inc Les Restaurants Woot Inc* 2012 TMOB 197 (CanLII)].

[26] Consequently, I dismiss the section 30(i) ground of opposition for the Opponent's failure to meet its initial evidential burden.

### Is the Mark Confusing with the Opponent's Registered Trade-marks?

[27] The Opponent pleads that the Mark is not registrable pursuant to section 12(1)(d) of the Act on the ground that it is confusing with the Opponent's registered trade-marks, LEONE and L2 LEONE & Design, the particulars of which are set out in Schedule "A" to this decision.

[28] The material date for considering this issue, which arises from the 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)].

[29] An opponent's initial onus is met with respect to a section 12(1)(d) ground of opposition if the registration(s) relied upon is(are) in good standing. In this regard, the Registrar has the discretion to check the register in order to confirm the existence of the registration(s) relied upon by an opponent [see *Quaker Oats of Canada Ltd/La Compagnie Quaker Oats du Canada Ltée v Menu foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. Having exercised the Registrar's discretion, I confirm that both of the registered trade-marks alleged by the Opponent in its statement of opposition are in good standing.

[30] Since the Opponent has satisfied its initial evidential burden, the issue becomes whether the Applicant has met its legal burden to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and any of the Opponent's registered trademarks.

[31] For the reasons that follow, I accept this ground of opposition.

[32] The test for confusion is one of first impression and imperfect recollection. 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 goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

[33] 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 goods, 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 *Mattel, Inc v 3894207 Canada Inc, 2006 SCC 22* (CanLII), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al, 2006 SCC 623*(CanLII), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc et al, 2011 SCC 27* (CanLII), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion].

[34] I will focus my analysis on the likelihood of confusion between the Mark and the Opponent's trade-mark LEONE of registration No. TMA329,967 as I consider this to be the Opponent's strongest case. In other words, if confusion is not likely between the Mark and LEONE, then it would not be likely between the Mark and L2 LEONE & Design of registration No. TMA693,886.

[35] I will now turn to the assessment of the section 6(5) factors.

Section 6(5)(a) - the inherent distinctiveness of the trade-marks and the extent to which they have become known

[36] The overall consideration of the section 6(5)(a) factor involves a combination of inherent and acquired distinctiveness of the parties' trade-marks.

[37] With respect to the inherent distinctiveness of the Opponent's trade-mark LEONE, attached as Exhibit C to Mr. Callanan's affidavit filed by the Applicant are printouts of the search results conducted on the Canada 411 website with more than 300 entries of individuals whose surname is "Leone" in Canada. This is consistent with the information found in an article published in the June 2012 issue of BCBusiness [attached as Exhibit S to Mr. White's affidavit filed by the Opponent] with the headline "Maria Leone celebrates 25 years of bringing high fashion to Vancouver". The article describes Maria Leone, the co-owner of the Opponent's store Leone, as the public face of the company and the "matriarch of the Leone clan". Thus, it would appear that the Opponent's store carries the surname of its co-owner, Maria Leone.

[38] I note that both parties provided printouts showing the Italian term "leone" translated as "lion" in English [Exhibit A to Mr. Callanan's affidavit and Exhibit C to Ms. Shannon's first affidavit]. However, there is no evidence that the average Canadian consumer of the parties' goods and services would be familiar with the Italian language or would be a particular group of consumers in Canada with knowledge of Italian. On this point, as discussed below, even though the Opponent states that its Vancouver stores cater to an "international clientele", I note that its evidence shows that nearly all of its customers are from Canada, predominantly from British Columbia.

[39] Also attached as Exhibits A and B to Mr. Callanan's affidavit are printouts extracted from online English dictionaries where the term "leone" is defined as "the standard monetary unit of Sierra Leone, divided into 100 cents", as well as the name of an Italian political leader, Giovanni Leone. Once again, there is no evidence that the average Canadian consumer of the parties' goods and services would be familiar with such references.

[40] Given the surname significance of "Leone" in Canada, I am of the view that the Opponent's trade-mark LEONE is not inherently distinctive.

[41] In terms of the Mark, Mr. Jahroudi states that it is "pronounced as 'soh-ley-ohn' or 'sohlwuhn'" and that it was inspired by "an ancient gold plaque dating back over years bearing two lions merged into one with the aura of the sun around the mane of the head". Attached as Exhibit B to Mr. Jahroudi's affidavit is a graphic of "the sun-lion" that inspired the Mark. No additional information pertaining to the said ancient gold plaque was provided.

[42] The Mark is a word mark. There are no design elements to the applied for trade-mark. It consists solely of the term SOLEONE. There is no evidence that the average Canadian consumer of the parties' goods and services would be familiar with the story of an ancient gold plaque of a sun-lion. There is also no evidence that the average Canadian consumer of the parties' goods and services would understand the term "soleone" to mean "sun-lion". I am of the view that upon first impression, the average Canadian consumer would see the Mark as a foreign term with no particular meaning or as a coined word made up of two ordinary words of the English language "sole" and "one", conveying the idea of "the only one".

[43] In the end, I find the Mark to have a higher degree of inherent distinctiveness than the Opponent's trade-mark LEONE.

[44] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. I will begin with a review of the Opponent's evidence with respect to the use and promotion of the trade-mark LEONE, followed by that of the Applicant with respect to the Mark.

#### Use of the Opponent's Trade-mark LEONE

[45] In his affidavit, Mr. White states that LEONE is a luxury fashion retail store located in the heart of Vancouver, "offering a diverse selection of the world's finest designer fashions, shoes and accessories for both men and women". Established in 1987, Mr. White explains that the LEONE store "recreates an intimate Italian streetscape lined by designer boutiques" and maintains a "leadership role in Canada's fashion retail scene for over 25 years". Mr. White further states that in 1995, the Opponent opened another store situated right below the LEONE store, whose name was changed to L2 LEONE "in late 2005 or early 2006". The L2 LEONE store is said to offer "hip, fun and functional women's and men's clothing and shoes from some of today's hottest designers" and incorporates "an Italian style café that serves a variety of fresh, authentic Italian meals and desserts".

[46] Mr. White states that the Opponent caters to "local and international celebrities" as well as "an international clientele" including "members of the film industry such as stylists and wardrobe departments". In this regard, Mr. White explains that the Opponent's customer

database consists of approximately 16,000 customers, of which 95% are located in Canada, predominantly in British Columbia.

- [47] As evidence of use of the trade-mark LEONE, Mr. White attaches the following:
  - Exhibit D printout of the Opponent's website located at *www.leone.ca* setting out a list of services provided at the store along with the address of the store. The trademark LEONE appears on the top left corner of the webpage;
  - Exhibit E photos of the exterior and the interior of a retail fashion store with men's and women's clothing, bags, footwear, etc., as well as a photo of a mall signage. The trade-mark LEONE appears prominently on the exterior of the store and on the mall signage;
  - Exhibit G photos of representative samples of products sold at the Opponent's stores including women's clothing, men's clothing and accessories, umbrellas, leather goods, footwear, undergarments, perfume, skincare products, watches, jewellery. I note that the products shown bear various third party trade-marks;
  - Exhibit H photos of representative sample LEONE branded apparel items sold by the Opponent since before February 15, 2011. The trade-mark LEONE appears on tags sewn onto a men's suit jacket, on a pair of men's pants, on a women's jacket, on a pair of women's pants, and on a t-shirt;
  - Exhibit I photos of representative tissue paper, shopping bag, garment bag and boxes used at the stores at the time of sale since before February 15, 2011. The trademark LEONE appears prominently on each item;
  - Exhibit J photo of a representative business card in circulation since before February 15, 2011, given out in the performance or promotion of the Opponent's services. The trade-mark LEONE appears prominently on the card; and
  - Exhibit K photo of representative stationery items used in the performance or promotion of the Opponent's services since before February 15, 2011. The trademark LEONE appears prominently on most items.

[48] According to Mr. White, the Opponent's gross sales on average exceeded \$10.5 million each year between 2002 and 2012. The affiant did not provide a breakdown of these figures between the sale of third party apparel and fashion accessories from the LEONE branded items.

[49] Mr. White explains that the Opponent had been advertising its goods and services in association with the trade-mark LEONE continuously since 1987 and that the Opponent spends on average more than \$400,000 each year on advertising between 2002 and 2012. In particular, Mr. White explains that the Opponent regularly advertises in Canadian print media including *Vancouver Sun, North Shore News* and *Vancouver Magazine*. Representative print ads dated between 1988 and 2012 are attached as Exhibit L. Mr. White further states that the Opponent regularly advertises outdoor including billboards and transit shelters. Photos of representative billboards and transit shelter ads dated between 2002 and 2012 are attached, as Exhibit B to his affidavit, print and online ads from 2012, 2009 and 1993 highlighting some of the design collections sold at the Opponent's stores. The trade-mark LEONE appears in the ads.

[50] Mr. White states that the Opponent mails 10,000 seasonal introduction postcards and 6,000 sales postcards featuring the trade-mark LEONE, and another 6,000 sales postcards featuring the trade-mark L2 LEONE in a six-month cycle. The Opponent also sends out regular email blasts featuring the trade-marks LEONE and L2 LEONE to its e-newsletter subscribers. Representative sample postcards dated between 2004 and 2012 are attached as Exhibit N. The trade-mark LEONE appears prominently in all the postcards.

[51] In his affidavit, Mr. White also discusses the Opponent's online presence. In particular, Mr. White states that the Opponent advertises the stores through social media, including Twitter since September 2009, Facebook since October 2009, and Tumblr since January 2012. Recent printouts are attached as Exhibit O where the trade-mark LEONE can be seen. The Opponent also advertises its services on its numerous websites including the one located at *www.leone.ca*, registered since October 2000. Printouts showing archived versions of the website between November 2000 and November 2010, extracted from the WayBackMachine, are attached as Exhibit Q. The trade-mark LEONE appears prominently in the printouts.

[52] Finally, attached as Exhibit S are copies of articles in which the Opponent has received media attention since 1987 including magazines such as Flare, Interior Design, Vogue Pelle, Vancouver View and BCBusiness.

[53] Despite its surname significance, when Mr. White's affidavit is read in its entirety, I am satisfied that the Opponent's trade-mark LEONE has become known to a significant extent in British Columbia in association with clothing and fashion related retail store services.

#### Use of the Mark

[54] In terms of the acquired distinctiveness of the Mark, Mr. Jahroudi states that he is the originator of the clothing concept with which the Mark is associated. According to Mr. Jahroudi, the concept is based on "comfort, durability and sustainability" and the items are made primarily with bamboo, a renewable resource that can be grown sustainably without pesticides or fertilizers. In his affidavit, Mr. Jahroudi goes on to explain the idea behind the Mark as discussed above and attached photos of men's underwear bearing the Mark as Exhibit A. Mr. Jahroudi concludes his affidavit by stating that the products associated with the Mark "will be sold via ecommerce websites directly to customers and by wholesale to third party retailers, distributers and online retailers".

[55] When Mr. Jahroudi's affidavit is read in its entirety, I am not satisfied that the Mark has become known in Canada in association with clothing items.

#### Conclusion

[56] In the end, while the Mark is inherently more distinctive than the Opponent's trade-mark LEONE, the Opponent's trade-mark has acquired distinctiveness in association with clothing and fashion related retail store services through substantial use and promotion for an extended period of time in British Columbia while there is no evidence of use or promotion of the Mark in association with clothing items anywhere in Canada.

#### Section 6(5)(b) - the length of time the trade-marks have been in use

[57] The application for the Mark is based on proposed use in Canada and as discussed previously, the evidence does not allow me to conclude that the Mark has been used in association with the applied for goods in Canada to date.

[58] In comparison, as discussed previously, the Opponent has shown significant use of its trade-mark LEONE with clothing and fashion related retail store services for an extended period of time in British Columbia.

[59] In view of the foregoing, the section 6(5)(b) factor clearly favours the Opponent.

Sections 6(5)(c) and (d) - the nature of the goods, services, trade and business

[60] Sections 6(5)(c) and (d) factors involve the nature of the goods, services, trade and business.

[61] When considering sections 6(5)(c) and (d) of the Act, it is the statements of goods and services as defined in the application for the Mark and in the Opponent's registration No. TMA329,967 that govern the assessment of the likelihood of confusion under section 12(1)(d) of the Act [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. Even so, the statements of goods and/or services must be read with a view to determine the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful [see *McDonald's Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd* (1999), 2 CPR (4th) 266 (TMOB); *American Optical Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[62] The Opponent's trade-mark LEONE is registered for use in association with a variety of clothing items and fashion accessories including men's and women's wearing apparel, footwear, umbrellas, bags and cases, stationery, jewellery and watches, cosmetics and perfumery, as well as the operation of a retail fashion store. As per my review above, Mr. White's affidavit has provided ample evidence of the operation of retail fashion stores in Vancouver, as well as advertising of the stores in print and online.

[63] In comparison, the Mark is applied for use in association with socks, underwear, t-shirts, pants, belts, hats and jackets. As mentioned above, Mr. Jahroudi explains that the products

associated with the Mark are to be sold online directly to consumers and by wholesale to third party retailers, distributers and online retailers.

[64] There is clear overlap between the parties' goods and services as both pertain to clothing and fashion accessories and the sale thereof. In addition, neither of the Opponent's registration nor the subject application contains any restriction on the parties' channels of trade. Given that the parties' goods and services clearly overlap and in view of the Opponent's physical and online presence, for the purpose of assessing confusion, I conclude that there is potential for overlap between the parties' channels of trade.

[65] Accordingly, these two factors favour the Opponent.

Section 6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[66] In *Masterpiece Inc v Alavida Lifestyles Inc et al* [*supra*], the Supreme Court of Canada indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the parties' trade-marks [see also *Beverley Bedding & Upholstery Co v Regal Bedding & Upholstering Ltd* (1980), 47 CPR (2d) 145 (FC), at 149, affirmed (1982), 60 CPR (2d) 70 (FCA)].

[67] When considering the degree of resemblance, the law is clear that the trade-marks must be considered in their totality. It is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trade-marks. It is nevertheless possible to focus on particular features of a mark that may have a determinative influence on the public's perception of it [see *United Artists Corp v Pink Panther Beauty Corp* (1998), 80 CPR (3d) 247 at 263 (FCA)].

[68] In the present case, both parties' marks consist of a single term. There are considerable visual similarities between the parties' marks in that the Opponent's mark can be found in its entirety in the Mark. In terms of sound, there is no evidence as to how a Francophone, an Anglophone or a bilingual Canadian consumer would pronounce the Mark. The Applicant himself has noted that the Mark could be pronounced as "soh-ley-ohn" or "sohl-wuhn". In my

view, the average Canadian consumer could pronounce the Mark as "sole-one", especially by an English speaking consumer, or as "so-leone". As such, I find that there could be some resemblance between the parties' marks when sounded. In terms of ideas suggested, I am of the view that the average Canadian consumer would see the Opponent's trade-mark as a surname and the Mark as a foreign term with no particular meaning attached, or as a term made up of two ordinary English words "sole" and "one" to mean "the only one". In this regard, definitions of the term "sole" in *The Canadian Oxford Dictionary* includes "one and only; single, exclusive".

[69] In the end, this factor slightly favours the Opponent in view of the considerable visual similarities and the potential phonetic similarities between the marks.

### Conclusion regarding the likelihood of confusion

[70] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, while the Opponent's trade-mark LEONE is not inherently distinctive, in view of the extent to which it has become known in association with the operation of retail fashion stores, the clear overlap in the nature of the parties' goods and services and the potential for overlap in their channels of trade, as well as the similarities of the parties' marks in appearance, and potentially in sound, I am not satisfied that the Applicant has discharged its burden to prove, on a balance of probabilities, that there is no likelihood of confusion between the Mark and the Opponent's registered trade-mark LEONE.

[71] Accordingly, the section 12(1)(d) ground of opposition is successful.

### Is the Applicant Entitled to Registration of the Mark under section 16(3)(a) of the Act?

[72] The Opponent alleges that the Applicant is not the person entitled to registration of the Mark pursuant to sections 16(3)(a) of the Act, on the ground that it is confusing with the trademarks LEONE and L2 LEONE & Design which have been previously used and continue to be used in Canada by the Opponent in association the goods and services set out in Schedule "A" to this decision. [73] The material date for considering this ground of opposition is the filing date of the subject application, namely February 15, 2011 [see section 16(3) of the Act].

[74] For the reasons that follow, this ground of opposition is successful.

# The Opponent's Initial Evidential Burden

[75] The Opponent has the initial burden of proving that at least one of the trade-marks alleged in support of this ground of opposition was used in Canada prior to the material date and had not been abandoned at the date of advertisement of the application for the Mark, namely September 5, 2012 [section 16(5) of the Act].

[76] Once again, I will focus my analysis on the likelihood of confusion between the Mark and the Opponent's trade-mark LEONE as I consider this to be the Opponent's strongest case. As per my review of Mr. White's affidavit, I am satisfied that the Opponent has discharged its evidentiary burden to show prior use and non-abandonment of the trade-mark LEONE in association with the operation of retail fashion stores.

[77] Even though the material date for the section 16 ground of opposition falls earlier than today's date, the different dates do not result in a different outcome.

[78] For the reasons set out with the section 12(1)(d) ground of opposition, I find that there is a reasonable likelihood of confusion between the Mark and the trade-mark LEONE.

## Remaining Grounds of Opposition

[79] Since I have already accepted the opposition under two grounds, I do not consider it necessary to address the remaining grounds of opposition.

# **Disposition**

[80] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application under section 38(8) of the Act.

Pik-Ki Fung Member Trade-marks Opposition Board Canadian Intellectual Property Office

# TRADE-MARKS OPPOSITION BOARD CANADIAN INTELLECTUAL PROPERTY OFFICE APPEARANCES AND AGENTS OF RECORD

No hearing held.

## AGENTS OF RECORD

Coastal Trademark Services Limited

FOR THE OPPONENT

Theo Yates (Yates IP)

FOR THE APPLICANT

Opponent's Registered Trade-mark	Registration no.	Goods and Services
LEONE	TMA329,967	<ul> <li>Goods:</li> <li>(1) Womens wearing apparel namely blouses, skirts, pants, dresses, pant suits, skirt suits, jackets, coats, sweaters, scarves, shawls, sweat shirts and T-shirts; mens wearing apparel, namely suits, tuxedos, jackets, coats, pants, shirts, sweaters, shorts, socks, ties, scarves, sweat shirts and T-shirts.</li> <li>(2) Womens wearing apparel, namely lingerie, scarves and shawls; mens wearing apparel, namely lingerie.</li> <li>(3) Boots, shoes and slippers.</li> <li>(4) Umbrellas.</li> <li>(5) Handbags, luggage, wallets, key chains, passport holders, daily journals, credit card holders, business card holders and agendas.</li> <li>(6) Bathing suits; hosiery; belts; gloves; socks; ties and bow ties; suspenders for men and women; perfumes and colognes; cosmetics, body care and other personal care products namely anti-persperants, hair shampoo and conditioners, hair sprays, shaving creams, before and after shave lotions, skin moisturizers, soap, talcum, hair styling spray, hair colouring and tints, hair rinses, facial makeup, skin creams, facial masks, nail preparations and colourants, bath and shower gels, bath and shower oils; picture frames; dining utensils namely, serving dishes, plates, bowls; glasses for wine, water, liquers and beer; stationery and accessories therefor, namely, note paper, cards, envelopes, note books, book marks; pencils, pens and cases therefor, desk sets, invitation and greeting cards, business card holders, desk holders for small stationery products, notebooks; watches; vases; jewellery;</li> <li>Services:</li> <li>(1) Operation of a retail fashion store dealing in wearing apparel, leather goods, footwear, personal gifts, stationery, jewellery, cosmetics, perfumery and confectionery.</li> </ul>
	TMA693,886	Services: (1) Operation of a retail fashion store dealing in wearing apparel, leather goods, footwear, personal gifts, stationery, jewelry, cosmetics, perfumery and confectionary.

Schedule	"A"
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