

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

Citation: 2013 TMOB 37 Date of Decision: 2013-02-27

IN THE MATTER OF A SECTION 45 PROCEEDING requested by Bennett Jones LLP against registration No. TMA601,387 for the trade-mark ZERO in the name of Pirelli Tyre S.p.A.

- [1] At the request of Bennett Jones LLP (the Requesting Party), the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on May 12, 2010 to Pirelli Tyre S.p.A. (the Registrant), the registered owner of registration No. TMA601,387 for the trade-mark ZERO (the Mark).
- [2] The Mark is registered for use in association with "Tyres; pneumatic, semipneumatic and solid tyres for vehicles wheels; wheels for vehicles, inner tubes, rims, parts and fittings for all the aforesaid goods" (the Wares).
- [3] Section 45 of the Act requires the registered owner of the trade-mark to show whether the trade-mark has been used in Canada in association with each of the wares and services specified in the registration at any time within the three year period immediately preceding the date of the notice and, if not, the date when it was last in use

and the reason for the absence of use since that date. In this case, the relevant period for showing use is between May 12, 2007 and May 12, 2010 (the Relevant Period).

- [4] The relevant definition of "use" is set out in section 4(1) of the Act as follows:
 - 4(1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.
- [5] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary and expeditious procedure for removing deadwood from the register. Assertions of use as a matter of law are insufficient to demonstrate use [see *Aerosol Fillers Inc v Plough (Canada) Ltd* (1979), 45 CPR (2d) 194 (FCTD)]. A recipient of a section 45 notice must put forward evidence showing how it has used the trade-mark in order that the Registrar may assess if the facts qualify as use of the trade-mark pursuant to section 4 of the Act. Ambiguities in the evidence are to be interpreted against the interests of the registered owner [*Aerosol Fillers Inc*, *supra*].
- [6] In response to the Registrar's notice, the Registrant furnished the affidavit of Pier Giovanni Giannesi. Both parties filed written representations as well as attended an oral hearing.
- [7] As a preliminary matter, I note that the Registrant's evidence and submissions are limited to the ware described as "tyres" (or "tires" as they are more commonly referred to in Canada). Accordingly, the remaining wares will be deleted from the registration. I will now turn to the evidence to determine whether use has been shown with respect to "tyres".
- [8] In his affidavit, Mr. Giannesi explains that he currently holds the title of Proxy Holder of the Registrant. He attests he either knows the information set out in his affidavit personally or has obtained the information from records made in the ordinary course of the Registrant's business.

- [9] Mr. Giannesi attests that within the Relevant Period, the Registrant, through Pirelli Pneus Inc./Pirelli Tire Inc. (Pirelli Tire), sold tires in Canada bearing the Mark. He states that the Mark is always used by the Registrant in combination with other trademarks such as P (which he explains is a house mark of the Registrant), SCORPION, ROSSO, CORSA, and NERO. He characterizes this as use of the ZERO family of tires, which includes among others, P ZERO, SCORPION ZERO, P ZERO ROSSO, P ZERO CORSA, and P ZERO NERO.
- [10] In support of such use, Mr. Giannesi attaches to his affidavit Exhibits 1 and 2. Exhibit 1 consists of a small representative sample of invoices, which he attests show sales in the normal course of trade of such tires in Canada. The invoices are all dated within the Relevant Period, and show sales of various tires including those described as P ZERO and various SCORPION branded tires by Pirelli Tire, "as agent for Pirelli Tire LLC". Mr. Giannesi explains that Pirelli Tire LLC is licensed by the Registrant to sell products bearing, among others, the trade-mark ZERO in Canada in association with tires. He states that as part of its license for use of the mark ZERO, the Registrant ensures that all ZERO tires sold in Canada satisfy certain quality standards.
- [11] With respect to the manner in which the Mark appeared on the tires sold in Canada within the Relevant Period, Mr. Giannesi attaches Exhibit 2. Exhibit 2 includes representative brochures and marketing materials which Mr. Giannesi attests were distributed to purchasers and potential purchasers in Canada within the Relevant Period. Mr. Giannesi states that the photos included in the brochures and marketing materials are representative of how the Mark appears on the tires themselves, including on tires sold in Canada within the Relevant Period. I note that consistent with Mr. Giannesi's sworn statement in this regard, the Mark always appears on the tires with additional matter as follows: P ZERO, SCORPION ZERO, P ZERO CORSA, and P ZERO NERO.
- [12] Having regard to the evidence, I accept that sales of tires by the Registrant's licensee took place in Canada during the Relevant Period. The issue, however, is whether the manner in which the Mark appeared on the tires that were sold qualifies as use of the trade-mark *as registered*.

- [13] Where the mark as used deviates from the mark as registered, the question to be asked is whether the mark was used in such a way that it did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used [Canada (Registrar of Trade-marks) v Cie International pour l'informatique CII Honeywell Bull (1985), 4 CPR (3d) 523 at 525 (FCA)]. In deciding this issue, one must look to see if the "dominant features" have been preserved [Promafil Canada Ltée v Munsingwear Inc, 44 CPR (3d) at 59 (FCA)]. Whether the differences between the marks are "so unimportant that an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin" [Canada (Registrar of Trade-marks) v Cie International pour l'informatique CII Honeywell Bull, supra at p. 525], is a question of fact.
- [14] Lastly, the use of a trade-mark in combination with additional words or features constitutes use of the registered mark if the public, as a matter of first impression, would perceive the trade-mark *per se* as being used. This is a question of fact which is dependent on whether the trade-mark stands out from the additional material, for example by the use of different lettering or sizing or whether the additional material would be perceived as clearly descriptive matter or as a separate trade-mark or trade name [see Principle 1 in *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 at 538 (TMOB); and 88766 Canada Inc v National Cheese Co (2002) 24 CPR (4th) 410 (TMOB)].
- [15] The Registrant submits that although the evidence establishes that the trade-mark ZERO is used in combination with additional matter, the public would perceive the mark ZERO *per se*, as being used as a trade-mark. For example, with respect to the appearance of SCORPION ZERO on the tires, the Registrant argues that the mark SCORPION refers to a line of tires which are further designated as ZERO in some cases. It likens the situation to that which was found in *Mantha & Associates v Old Time Stove Co* (1990), 30 CPR (3d) 574 (TMOB), wherein the use of BEAUMONT CHALET, BEAUMONT ACADIAN, BEAUMONT LAURENTIA, etc., supported use of the mark BEAUMONT as designating a line of similar products and was considered use of two different marks in each case.

- [16] Further to this, the Registrant submits that as the advertising shows that there is a line of SCORPION tires, consumers would recognize the word SCORPION as a trademark distinguishable from ZERO. It also directs attention to an excerpt from the advertising materials, wherein the word ZERO is visually distinguishable from the word SCORPION, arguing that this too would have an impact upon the perception of the public, namely, that ZERO *per se*, is a trade-mark.
- [17] Having regard to the above, the Registrant submits that Principle 1 from *Nightingale, supra* would apply.
- [18] I note, however, that the display of the Mark in the brochures and marketing materials is considered advertising, and as such, does not in itself constitute use of a trade-mark in association with wares within the meaning of section 4(1) of the Act [Davis & Co v Oasis Corp (2002), 25 CPR (4th) 540 (TMOB)]. This much is not disputed by the Registrant. Rather, the Registrant's position is that the advertising material would influence the public's perception that ZERO, per se, is a trade-mark.
- [19] In this respect, there is no evidence as to the extent of distribution of the brochures and marketing materials or that these materials were viewed at the time of transfer of the wares. There is no evidence that consumers when purchasing tires would recall certain pages of the brochures and marketing materials wherein the word ZERO was illustrated in a different size and style of font, such that they would recognize ZERO as the trade-mark *per se*.
- [20] However, what the brochures and marketing materials do support is that there were various SCORPION tires available, such as SCORPION ZERO, SCORPION ATR, SCORPION STR, SCORPION MUD, and SCORPION ICE & SNOW. Indeed, there are photographs of tires in these materials which show SCORPION ZERO, SCORPION MUD, SCORPION STR, and SCORPION ATR clearly marked on the sides of tires. Furthermore, the invoices show that there were sales of SCORPION STR, SCORPION ATR, and SCORPION ZERO tires, with various customers purchasing a variety of SCORPION tires.

- [21] This evidence together supports the Registrant's position that a line of SCORPION tires exists, to which ZERO is a subset. Thus, I accept that this would be comparable to the *Mantha*, *supra* case in which it was held that consumers would identify BEAUMONT as a separate trade-mark; a situation where a secondary trade-mark was used to designate a particular ware within a substantial line of similar products. In the present case, I accept in applying Principle 1 from *Nightingale*, *supra*, that ZERO, *per se*, would be perceived by consumers as that secondary trade-mark used to identify a subset product. This is so given the range of SCORPION products, and that it has been demonstrated in the evidence that consumers have purchased several different types of SCORPION tires.
- [22] The Requesting Party cites a series of cases wherein the trade-mark, as used within a composite mark, was deemed by the Registrar not to represent the trade-mark as registered. However, I would agree with the Registrant that all of the cited cases are distinguishable, in that they deal with integrated design elements, suggestive or descriptive matter, etc. such that the marks in those cases would be perceived as composite marks.
- [23] Given my findings above, I will comment only briefly on the evidence and submissions with respect to the Registrant's "P" line of tires. In contrast to my conclusion with respect to the SCORPION line of tires, I would not be prepared to accept that P ZERO, P ZERO CORSA, and P ZERO NERO demonstrate use of the mark ZERO, per se. Although stated to be a house mark, the P does not stand out from the ZERO component; it is in the same style and font size. This is true in terms of how it appears on the tires, as well as how it appears in the brochures and marketing materials. I am not convinced that a consumer would necessarily make the connection that P must be referring to the Registrant. Furthermore, with respect to the existence of the Registrant's "P" line of tires, P ZERO does not follow the pattern of the other P-marks shown in evidence, which are identified by the letter P with a numerical representation of a number immediately following, such as P4, P6, P7, P2500, etc. Accordingly, I would not conclude that consumers would necessarily identify P ZERO as belonging to this family

and, even if they did, the P would likely be considered to be an integral component of the trade-mark.

<u>Disposition</u>

[24] In view of the above, I have concluded that use has been shown of the subject

trade-mark for the wares described as "tyres"; use has not been shown for the remaining

wares in the registration and there is no evidence of any special circumstances excusing

the absence of use. Accordingly, pursuant to the authority delegated to me under section

63(3) of the Act, Registration no. TMA601,387 will be amended to delete the following

wares in compliance with the provisions of section 45 of the Act:

"pneumatic, semi-pneumatic and solid tyres for vehicles wheels; wheels for

vehicles, inner tubes, rims, parts and fittings for all the aforesaid goods"

Kathryn Barnett

Hearing Officer

Trade-marks Opposition Board

Canadian Intellectual Property Office

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