

**IN THE MATTER OF AN OPPOSITION  
by 9013-0501 Quebec Inc. to Application  
No. 897394 for the trade-mark RAGE filed  
by Gen-X Sports Inc.**

**I The Pleadings**

On November 24, 1998, Gen-X Sports Inc. (the “Applicant”) filed an application to register the trade-mark RAGE (the “Mark”), application number 897394, in association with: snowboards, skateboards, and accessories therefore, namely snowboard boots, roller shoes, bindings, sports bags, helmets, wrist guards, elbow pads, knee pads, and gloves (the “Wares”). The application is based on proposed use in Canada and was advertised on July 3<sup>rd</sup>, 2002 in the Trade-marks Journal for opposition purposes. Through a series of assignments, the recorded owner of this application is now Lifestyle Brands Corporation (“Lifestyle”).

9013-0501 Quebec Inc. (the “Opponent”) filed on October 10, 2002 a statement of opposition, which was forwarded on October 22, 2002 by the Registrar to the Applicant, raising the following grounds of opposition:

1. The Application does not comply with the requirements of s. 30(i) as the Opponent and the Applicant carry on business in the same area namely the sale of sports wear and sports accessories. Therefore each party is generally familiar with the products and trade-marks of its competitors. The Opponent has been using its trade-marks ORAGE since at least as early as September 1988 and as such the Opponent submit that the Applicant could not made and still cannot made the statement required under s. 30(i) as it could not and still cannot be convinced that it was entitled to use the Mark in Canada in association with the Wares as at the filing date of the application the Applicant was aware of the use of the Opponent’s trade-marks. Furthermore the Applicant could not and still cannot make the statement required under s. 30(i) as it could not and still cannot be convinced that it will be using the Mark or the word RAGE as a trade-mark;
2. The Mark is not registrable pursuant to the provisions of s. 38(2)(b) and 12(1)(d) of the Act in that the Mark is confusing with the following Opponent’s registered trade-marks:
  - a. TMA386694, ORAGE;
  - b. TMA452745, ORAGE & Design;
  - c. TMA556050, ORAGE & Design ;
  - d. TMA556048 ORAGESKI.COM;

e. TMA558316 A ORAGE & Design

3. The Applicant is not the person entitled to registration of the Mark pursuant to the provisions of s. 38(2)(c) and 16(3)(a) of the Act as the Mark is confusing with at least one of the abovementioned trade-marks previously used in Canada by the Opponent in association with sports wear and sports accessories;
4. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Applicant's Mark is not distinctive, and is not capable of distinguishing or adapted to distinguish the Applicant's Wares from the Opponent's wares in view of the Opponent's use in Canada of the trade-marks listed above;

The Applicant filed a counter statement on February 24, 2003 in which in essence it denies all grounds of opposition described above.

The Opponent filed the affidavit of Alain Nolet. The Applicant filed the affidavit of Kenny Finkelstein. Only Mr. Nolet was cross-examined and the transcript of his cross-examination was filed in the record.

Both parties filed written arguments and were represented at an oral hearing.

## **II General Principles in Trade-mark Opposition Procedure**

The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial evidential onus 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. Once this initial onus is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722].

The relevant dates for the analysis of the grounds of opposition are:

- Compliance to the requirements enumerated under s. 30 (i) of the Act: the filing date of the application (November 24, 1998) [see *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469];
- Registrability of the Mark under s. 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 C.P.R. (3d) 413 at 424 (F.C.A.)];
- Distinctiveness of the Mark: the filing date of the statement of opposition is generally accepted as the relevant date (October 10, 2002) [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4<sup>th</sup>) 317 (F.C.T.D.)];
- Entitlement to the registration of the Mark where the application is based on proposed use: the filing date of the application (November 24, 1998) [see s. 16(3) of the Act].

### **III Compliance to the Requirements of s. 30(i) of the Act**

The fact that the Applicant was aware of the Opponent's trade-marks would not necessarily prevent the Applicant from being satisfied that it was entitled to use the Mark in Canada. It could well be that the Applicant did not believe that the marks in issue were confusing. There has been no allegation of bad faith on the part of the Applicant in the statement of opposition. [See *Sapodilla Co. Ltd. v. Bristol Myer Co.* (1974), 15 C.P.R. (2d) 152] I therefore dismiss, as drafted, the first ground of opposition.

### **IV Registrability, Entitlement and Distinctiveness**

All the remaining grounds of opposition turn on the issue of the likelihood of confusion between the Mark and the Opponent's trade-marks listed above. The difference in the relevant dates would not have a bearing on my assessment of that question. I shall discuss the issue of registrability of the Mark and the conclusion I will reach shall apply equally to the other grounds of opposition.

The Opponent did file certificates of authenticity for each of the Opponent's registered trade-marks as exhibits to Mr. Nolet's affidavit, the Vice-President of Finance since January 1<sup>st</sup>, 1997 of Coalision Inc. ("Coalision"), the Opponent's subsidiary. Therefore the Opponent met its initial onus with respect to the ground of opposition of registrability under s. 12(1)(d).

I shall concentrate my analysis on the comparison between the Mark and the Opponent's trade-marks ORAGE, certificate of registration TMA386694, registered in association with:

sports clothing and accessories for men, women and children, including pants, shirts, shorts, skirts, blouses, suits, coats, anoraks, T-shirts, waist-length jackets, swim suits, bags, socks, belts, hats, toques, scarves, gloves and mitts, footwear, namely shoes, slippers and boots.

and ORAGE & Design, as hereinafter illustrated:



certificate of registration TMA556050, registered in association with:

ski clothing, namely ski pants, sweaters, turtleneck sweaters, one-piece ski suits, underclothing; sports clothing and accessories for men, women and children, namely pants, shirts, shorts, skirts, blouses, suits, coats, anoraks, T-shirts, waist-length jackets, swim suits, hose, hats, belts, toques, scarves, gloves and mitts, headbands, ski masks, sunglasses, eyeglasses retainer cords, eyeglass cases and eyeglass pouches, carry-all bags, travel bags; footwear, namely shoes, slippers, boots, ski boots; skis, ski poles and ski bags.

as they are the best case scenario for the Opponent. I consider the use of the trade-mark ORAGE & Design to be use of the word mark ORAGE [see *Promafil Canada Ltd. v. Munsingwear Inc.* (1992), 44 C.P.R. (3d) 59].

The test to determine if there exists a reasonable likelihood of confusion is set forth in s. 6(2) of the Act and I must have regard to all the surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or any ideas suggested by them.

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 C.P.R. (3d) 483 (F.C.T.D.), *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)]

I refer to the decision rendered by the Supreme Court of Canada in *Mattel, Inc. v. 3894207 Canada Inc.*, (2006) 49 C.P.R. (4th) 321 for a detailed analysis of the test applicable in the present case.

Considering initially the inherent distinctiveness of the trade-marks in issue, the Applicant's Mark as applied to the Wares is inherently distinctive. The registered trade-marks ORAGE and ORAGE & Design covering the wares listed above are less inherently distinctive than the Mark in that it may suggest that the Opponent's wares could be used in stormy weather as the word "orage" means in French such weather condition.

The distinctiveness of a trade-mark can be enhanced through its use. Therefore I shall summarize the relevant evidence filed by both parties on the use of their respective trade-marks.

Mr. Nolet explains that on January 5, 1996 the Opponent granted a license to Diffusion Bel-Gam Inc. ("Bel-Gam") for the trade-mark ORAGE and its various versions. Since then Bel Gam changed its name to Coalision. A copy of the aforesaid license agreement was filed. The license agreement contains the general provisions concerning the Opponent's control over the quality of the products bearing its trade-marks. Therefore any evidence of use by Coalision of the trade-marks ORAGE or ORAGE and Design within the meaning of s. 4 of the Act shall be deemed use of such marks by the Opponent as per the provisions of s. 50 of the Act.

Between September 20, 1988 and January 5, 1996 Coalision used the trade-mark ORAGE in association with the wares identified above save and except for skis, ski boots and ski poles. Mr. Nolet admitted during his cross-examination non-use of any of the Opponent's trade-marks in association with those wares and non-use of the Opponent's marks since 1995 in association with slippers, shoes and sandals. I shall discuss this issue further below.

To substantiate his allegation of use of the trade-marks ORAGE and ORAGE & Design, Mr. Nolet has provided the following information and/or documentation. He filed sample invoices dated between 1990 to 2004 to evidence the sale of products bearing the trade-marks ORAGE and ORAGE & Design. Mr. Nolet states that each product bears a label ORAGE or the trade-mark is either printed or embroidered on the product itself. Samples of labels on which appears the trade-mark ORAGE & Design are annexed to his affidavit. He also filed samples of catalogues distributed between 1995 and 2004 wherein the products are illustrated and on which appear the trade-mark ORAGE & Design. I note that none of the catalogues issued after 1995 illustrate neither footwear nor any of the catalogues issued after 1999 illustrate summer clothing.

He provides the annual sales of products bearing the trade-mark ORAGE in Canada between 1990 and 2004 which total over \$110 millions. Coalision has spent between 1990 and 2003 more than \$6 millions to promote the trade-mark ORAGE in Canada through a catalogue published for each season, ads on the radio, in magazines and in the Opponent's customers own catalogues. Samples of such advertisements were annexed to his affidavit. Coalision also sponsored athletes and special events such as free style skiing and snowboarding competitions.

From this evidence I conclude that the Opponent's trade-mark ORAGE was known to a significant extent in Canada in association with: ski clothing and accessories listed above.

Mr. Finkelstein is Lifestyle's CFO and Secretary. Lifestyle is a diversified global licensing and marketing company which licenses a variety of lifestyle and action sports brand names including the Mark. He explains that the Wares were originally developed, manufactured and distributed by the Applicant and unidentified related companies until Huffly Corporation ("Huffly") acquired the Mark in September 2003. Thereafter Lifestyle acquired in January 2005 the Mark and associated goodwill. He states that by virtue of his position with Lifestyle and his association with the Applicant and through access to Lifestyle's corporate records he has knowledge of the facts described in his affidavit. He does refer to the Applicant in his affidavit as a licensee. I will assume for the purpose of this decision that Huffly is a predecessor-in-title of Lifestyle.

There are some ambiguities with respect to these allegations, as the deponent does not explain his relationship with the Applicant. Is it by virtue of the license agreement or as an employee or as an officer and director of such entity? No copy of a license agreement between the Applicant and Lifestyle has been provided and as such we have no information as to whether Lifestyle exercise some control over the quality and character of the Wares. There is no allegation to that effect in Mr. Finkelstein's affidavit and in particular paragraph 11 of his affidavit wherein there is a reference to the Applicant as a licensee. In the absence of such evidence, any use of the Mark subsequent to January 2005 cannot be deemed use by Lifestyle as per the provisions of s. 50 of the Act.

Additionally, without any information with respect to the deponent's relationship with the Applicant, any allegation concerning the use of the Mark by the Applicant prior to January 2005 would constitute inadmissible hearsay evidence. Therefore I am left with very little admissible evidence. He alleges that since Lifestyle acquired the Mark in 2005 the total sales amounted to \$230,000 but we do not know if they were made by Lifestyle or the Applicant and, for the reasons discussed above, I cannot conclude that they are deemed to be sales made by Lifestyle. In any event they are much less impressive than the Opponent's sales. Overall, the first criterion favours the Opponent.

The length of time the marks have been in use also favours the Opponent as there is evidence of use of its trade-mark ORAGE since at least 1990 while at best for the Applicant the Mark would have been used since 1999.

The parties gave a great deal of attention to the nature of the parties' respective wares. As expected the parties disagree on this issue. The agent for Lifestyle, the new owner of the Mark, contends that the Wares are "hard goods" while the Opponent's wares would be "soft goods". The Opponent argues that the wares of the respective parties do not need to be identical but related. They are sporting goods. The Opponent also argues that I should consider the content of the certificates of registration no matter if the Mark was used or not in association with some of the wares listed therein. I agree with the Applicant that I have to take into consideration the fact that the Opponent is not using its ORAGE trade-marks in association with skis, ski boots and ski

poles [see *Park Avenue*, op. cit.]. However given the fact that the Opponent has proven that it does sell ski outfits and accessories such as toques, mitts and gloves I consider that there exists a close connection between those Opponent's wares and some of the Wares listed in the application such as snowboards, snowboard boots, bindings, sports bags and gloves.

As for skateboards and accessories for instance roller shoes, helmets, wrist guards, elbow pads and knee pads, I do not see the same link as between ski clothing and snowboards and accessories. Mr. Nolet admitted during his cross-examination that the primary focus of Coalision is winter sportswear and casual clothing. In fact the Opponent did not discuss in its written argument the similarities between the Opponent's wares and skateboards and accessories. This factor also favours the Opponent but only in so far as snowboards, snowboard boots, bindings, sports bags and gloves are concerned.

Mr. Nolet alleges that the Opponent's wares bearing the trade-marks ORAGE and ORAGE & Design are sold in the following retail stores: André Lalonde Sport, Sports Experts, Bernard Trottier Sports and Tommy & Lefebvre. Those stores are often located in shopping centers wherein different types of retail stores are found. He visited some of the specialized stores listed above selling sports equipment and accessories including articles of clothing and in all of them the articles of clothing are offered for sale in close proximity to sports equipment.

Mr. Finkelstein states that the Wares bearing the Mark are sold in Canada in national chains stores such as Canadian Tire, Sportchek, Sport Mart, Sports National. I conclude that there is an overlap in the channels of trade used by the parties.

It has often been said that the degree of resemblance is the most important factor when assessing the likelihood of confusion between two trade-marks. Mr. Justice Cattanach in *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd.* (1980), 47 C.P.R. (2d) 145 defined the issue in the following terms:

Realistically appraised it is the degree of resemblance between trade marks in appearance, sound or in ideas suggested by them that is the most crucial factor, in



most instances, and is the dominant factor and other factors play a subservient role in the over-all surrounding circumstances.

The marks should not be put side-by-side and dissected into their components. Mr. Nolet alleges that an English speaking person would pronounce the trade-mark ORAGE with the emphasis on the last syllable and in English such that it would sound like “oh-RAGE”. When referring to the trade-mark ORAGE to English speaking persons he uses the same pronunciation used by them in order to be understood by them. He states that a French speaking person would also put emphasis on the last portion, namely “rage”. During his cross-examination he admitted that he has no academic background in linguistics and therefore he cannot be considered as an expert and provide an opinion on the pronunciation of the marks in issue by an English speaking person. I shall therefore disregard those statements.

The applicable linguistic test has been set out in *Pierre Fabre Médicament v. SmithKline Beecham Corp* (2001) 11 C.P.R. (4<sup>th</sup>) 1 (F.C.A.) in the following terms:

It follows that once there is a risk of confusion in either of the country's two official languages, a trade-mark cannot be registered. The particular problem with which Joyal and Strayer JJ. were confronted was the possibility that a trade-mark that does not create any confusion in a Francophone or in an Anglophone might create confusion in a bilingual person through the use of usual, distinct words in French and in English but, to someone who knew what it meant in both languages, referring to the same reality. For example, in *Les Produits Freddy Inc.*, the word "noixelle" might mean nothing to an English-speaking person, and the word "nutella" might be meaningless to a French-speaking person, but it was not excluded that the use of either of these words would confuse a bilingual person who knew the meaning in both languages. It was solely to guard against this possibility that the test was extended to the average bilingual consumer.

Therefore the analysis of the likelihood of confusion must be assessed taking into consideration the average French speaking consumer, the average English speaking consumer and the average bilingual consumer. If anyone of them is likely to be confused by the use of the Mark in association with the wares with the Opponent's trade-marks ORAGE or ORAGE & Design, the conclusion is that there exists a likelihood of confusion.

The marks have different meanings in the French language as “rage” means a state of extreme anger while “orage” is a violent weather condition wherein heavy rain is often mixed with thunder and lightning. The Opponent’s trade-mark ORAGE would be considered as a coined word for an English speaking person. However they are similar visually. According to the French dictionary Le Nouveau Petit Robert their pronunciations in French would only differ by the letter “o” placed at the beginning of the word “orage”. Therefore, in French at least, orally the marks in issue have a high degree of resemblance. There is no admissible evidence as to how an English speaking person would pronounce the word “orage”.

In my view, the average unilingual English speaking consumer of ordinary intelligence, with an imperfect recollection of the Opponent’s trade-mark ORAGE, might not be particularly alerted to the distinction between ORAGE and RAGE because of the visual similarity in the marks in issue.

As an additional surrounding circumstance the Applicant argues that there has been no case of confusion reported to Lifestyle during the long period of coexistence of the marks on the Canadian market. Mr. Finkelstein does make the following statement:

“Despite this continued exposure and availability of our brand, we have never heard of there having been any distributor, retailer or customer confusion between our RAGE brand and accessories and ORAGE clothing.”

The word “we” would refer to Lifestyle and such entity is the licensor and current owner of the Mark. There is no evidence that it does sell, manufacture or distribute Wares bearing the Mark. There is no evidence that Mr. Finkelstein consulted the Applicant to verify if there have been instances of confusion reported to it. In any event, the absence of instances of confusion does not necessarily mean that, on a balance of probabilities, there is no likelihood of confusion between the parties’ respective marks.

As an additional relevant surrounding circumstance I consider the fact that the Opponent is a sponsor of snowboarding and free style ski competitions (see exhibit AN-9 to Mr. Nolet’s affidavit).

I wish to address the question whether or not there exists a family of trade-marks owned by the Opponent. The Applicant takes the position that there is no family of trade-marks as the evidence shows that the different graphic versions of the trade-mark ORAGE represent an evolution of one trade-mark, namely ORAGE. Even if the Applicant's contention were right, it would not be a determinant factor in my decision. In fact it reinforces my conclusion that any of the graphic forms used by the Opponent in association with the word "orange" would constitute use, within the meaning of s. 4 of the Act, of the word trade-mark ORAGE as I do not consider those graphic versions, except perhaps for the ORAGE & Tree design", to be so distinctive of the word trade-mark ORAGE that an average consumer would think that the wares bearing those design marks with the word "orange" originate from a different source than the Opponent. Whatever font or style used by the Opponent for the word "orange" in association with sporting clothes and accessories, the average Canadian consumer would still associate the Opponent as the source of the products.

As stated by the Applicant's agent during the oral hearing, all that the Applicant needed to do was to tip the balance in its favour. However the assessment of the different relevant criteria does not enable me to reach such a conclusion in so far as snowboards, snowboard boots, bindings, sports bags and gloves are concerned. As discussed above, the Opponent's trade-mark ORAGE is known to a significant extent in Canada in association with ski outfits and accessories. There is a connection between those wares and snowboards, snowboard boots, bindings, sports bags and gloves. The channels of trade of the respective parties are the same and there exists a visual resemblance between RAGE and ORAGE and orally in French there is a similarity. Therefore I conclude that the Applicant has not discharged its burden to prove on a balance of probabilities that there exists no likelihood of confusion between the Mark and the Opponent's trade-mark ORAGE in so far as snowboards, snowboard boots, bindings, sports bags and gloves are concerned. However the Applicant has met such burden for skateboards and accessories, namely roller shoes, helmets, wrist guards, elbow pads and knee pads as those wares are different than the Wares.

Since the main issue is the same with respect to all remaining grounds of opposition, I maintain in part the second, third and fourth grounds of opposition.

## **V Conclusion**

Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, and in virtue of the principles enunciated in *Produits Ménagers Coronet Inc. v. Coronet Werke Heinrich SCH* 10 C.P.R. (3d) 482 having regard to split decisions, I maintain the Applicant's application but only for:

skateboards, and accessories therefore, namely, roller shoes, helmets, wrist guards, elbow pads and knee pads.

And I refuse the application for the following wares:

snowboards, snowboard boots, bindings, sports bags and gloves.

The whole pursuant to s. 38(8) of the Act.

DATED IN BOUCHERVILLE, QUEBEC, THIS 19th DAY OF JUNE 2008.

Jean Carrière  
Member,  
Trade-marks Opposition Board