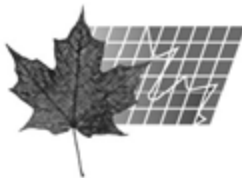


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LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADE-MARKS

**Citation: 2017 TMOB 122**

**Date of Decision: 2017-08-23**

**IN THE MATTER OF AN OPPOSITION**

**Ceramiche Caesar S.P.A.**

**Opponent**

**and**

**Caesarstone Sdot-Yam Ltd.**

**Applicant**

**1,377,940 for CAESARSTONE &  
Design**

**Application**

INTRODUCTION

[1] This is a redetermination by the Registrar of Trade-marks, by order of the Federal Court [*Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SPA*, 2016 FC 895], of the question of whether Caesarstone Sdot-Yam Ltd's (the Applicant) trade-mark CAESARSTONE & Design (the Mark) is confusing with the use and registration of the trade-mark CAESAR & Design owned by Ceramiche Caesar S.P.A (the Opponent). The trade-marks are set out below:

The Mark



CAESAR &  
Design



[2] This redetermination involves four grounds of opposition concerning confusion between the Mark and the Opponent's trade-mark CAESAR & Design based on sections 12(1)(d), 16(2), 16(3) and 2 (distinctiveness) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). Having considered these grounds of opposition in view of the reasons of the Federal Court, I find that at the date of filing the application, the Applicant has failed to prove that there was no reasonable likelihood of confusion between the Mark and the Opponent's trade-mark with respect to the services set out below. As such, the Applicant is not the person entitled to registration of the applied-for trade-mark and the application must be refused with respect to these services for the reasons that follow.

(1) Wholesale and retail stores and wholesale and retail showrooms featuring tiles, tiles formed of composite stone for building panels; offering consulting, support, marketing, promotional and technical assistance in the establishment and operation of distributorship, dealership, franchising, wholesale and retail stores that feature tiles formed of composite stone for building panels.

(2) Installation, maintenance and repair services of tiles formed of composite stone.

## HISTORY

### **The Application**

[3] On January 3, 2008, the Applicant filed an application for the Mark in association with the goods and services set out in Schedule A based on its (i) proposed use of the Mark in Canada and (ii) use and registration of the Mark in Israel. The application had a priority filing date of August 26, 2007. The application was advertised for opposition purposes in the *Trade-marks Journal* of September 30, 2009.

### **The Opposition**

[4] On November 9, 2010, the Opponent opposed the application for the Mark for use in association with the Opposed Services as defined below:

(1) Wholesale and retail stores and wholesale and retail showrooms

featuring [...] tiles, [...] floor coverings, [...] flooring, [...] slabs and tiles formed of composite stone for building panels, [...] floors, [...] stairs [...]; offering consulting, support, marketing, promotional and technical assistance in the establishment and operation of distributorship, dealership, franchising, wholesale and retail stores that feature [...] floor coverings, [...] flooring, [...] slabs and tiles formed of composite stone for [...] floors, [...] stairs and walls.

(2) Installation, maintenance and repair services of [...] panels for floors, floor coverings, wall cladding, flooring, [...] non-metallic covers for use with floors and parts thereof, profiles and floor skirting boards, slabs and tiles formed of composite stone.

[5] The opposition was based on the following grounds: (i) the Mark is not registrable because it is confusing with the Opponent's registration No. TMA725,911 for the trade-mark CAESAR & Design (section 12(1)(d) of the Act); (ii) the Applicant is not the person entitled to registration of the Mark, because at the date of filing the application, it was confusing with the Opponent's use of the trade-mark CAESAR & Design (sections 16(2) and 16(3) of the Act); (iii) the Mark is not distinctive (section 2 of the Act) and (iv) the Applicant could not have been satisfied it was entitled to use the Mark (section 30(i) of the Act).

#### The Opposition Decision

[6] The Registrar of Trade-marks rejected the section 30(i) ground of opposition but found in favour of the Opponent with respect to the grounds of opposition based on confusion and sections 12(1)(d), 16(2), 16(3) and 2 of the Act. Accordingly, the application was refused with respect to the Opposed Services and allowed with the goods and services which had not been subject to the opposition. The opposition decision *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SPA*, 2015 TMOB 36 will be cited as *Caesarstone Sdot-Yam Ltd (TMOB)* throughout this decision.

#### The Federal Court Decision

[7] The Applicant subsequently appealed the decision. The Federal Court allowed the appeal in part with respect to what was described as the "Opposed Services covering tiles, slabs and

tiles formed of composite stone, and wall cladding and walls” and referred the matter to a different member of the Opposition Board for redetermination in light of the reasons. The Federal Court’s decision *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SPA*, 2016 FC 895 will be cited as *Caesarstone Sdot-Yam Ltd (FC)* throughout this decision.

[8] In his decision, Justice Manson found that the Registrar had failed to consider the relationship between the Opposed Services covering tiles, slabs and tiles formed of composite stone, and wall cladding and walls and the Applicant's use and registration of its trade-mark CAESARSTONE with work tops, sink tops, work surfaces and surrounds for kitchens, bathrooms, vanity units and offices, countertops, table tops [*Caesarstone Sdot-Yam Ltd (FC)* at paras 54-56]. If the Registrar had considered this relationship, the Registrar’s finding that the absence of a likelihood of confusion is not relevant may well have been different [*Caesarstone Sdot-Yam Ltd (FC)* at paras 68-69].

[9] A review of the Opposed Services as set out above and in *Caesarstone Sdot-Yam Ltd (FC)* at para 5 shows that the following services cover tiles, slabs and tiles formed of composite stone, and wall cladding and walls:

(1) Wholesale and retail stores and wholesale and retail showrooms featuring tiles, slabs and tiles formed of composite stone for building panels; offering consulting, support, marketing, promotional and technical assistance in the establishment and operation of distributorship, dealership, franchising, wholesale and retail stores that feature slabs and tiles formed of composite stone for building panels, and walls.

(2) Installation, maintenance and repair services of wall cladding, slabs and tiles formed of composite stone.

Hereinafter these services will be referred to as either the “Opposed Services covering tiles, slabs and tiles formed of composite stone, and wall cladding and walls” or the Redetermination Services. The Federal Court’s order did not discuss whether the record was restricted to what was before the Registrar at the time of the 2015 decision or whether the parties would be entitled to make further written or oral submissions or request leave to file additional evidence.

### Scope of Redetermination

[10] I consider the scope of the matter before me is to redetermine the likelihood of confusion between the Mark and the Opponent's CAESAR & Design trade-mark with respect to the grounds of opposition based on sections 12(1)(d), 16, and 2 of the Act. In particular, I find that the Federal Court has directed me to make such a determination in view of its findings that (i) the Redetermination Services are an extension of the Applicant's goods used and registered with the trade-mark CAESARSTONE in Canada; and (ii) the parties' CAESAR and CAESARSTONE Marks in Canada co-existed for a number of years in relation to tiles, slabs and tiles formed of composite stone, wall cladding and walls [*Caesarstone Sdot-Yam Ltd (FC)*, paras 54-56, 69, 81].

[11] At the hearing, the parties' views on the scope of redetermination differed. The Opponent took the position that I was directed to consider a likelihood of confusion after making findings on only the factors identified in Justice Manson's decision as problematic. In contrast, the Applicant took the position that I could consider many aspects of the case anew, for example, whether the Opponent had met its burden with respect to its section 16 grounds. While the parties' articulated different view points on the scope of redetermination, neither brought forward any jurisprudence in support. I am of the view that the scope of the redetermination is broader than the Opponent suggests as a consideration of the surrounding circumstances at issue may result in different findings with respect to other aspects of this case and this is what I have undertaken. That being said, I do not find that Justice Manson's order is for a *de novo* redetermination and as such have referred to the *Caesarstone Sdot-Yam Ltd (TMOB)* decision in my reasons. If I had only referred myself to the evidence and not taken account of the *Caesarstone Sdot-Yam Ltd (TMOB)* decision, I would not have reached a different conclusion.

### Evidence of Record in this Redetermination

[12] The evidence of record includes the evidence previously before the Registrar summarized at para 7 of *Caesarstone Sdot-Yam Ltd (TMOB)*:

In support of its opposition, the Opponent filed a certified copy of registration No. TMA725,911 and the affidavit of Adolfo Tancredi, Managing Director of the Opponent. In support of its application, the Applicant filed the affidavit of Fernando Mammoliti, Chief Executive Officer of the Applicant's Canadian

subsidiary, Caesarstone Canada Inc. (Caesarstone Canada), as well as the affidavit of Grace Rock, a trade-mark assistant employed by the Applicant's trade-mark agent. The Applicant also obtained leave to file the affidavit of Eli Feiglin, Vice President Marketing of the Applicant. Mr. Tancredi, Mr. Mammoliti and Mr. Feiglin were all cross-examined on their respective affidavits; the transcripts of their cross-examinations, along with their replies to undertakings, are of record.

[13] The Applicant was also granted leave pursuant to section 44 of the *Trade-marks Regulations*, SOR/96-195 (the Regulations) to file the following evidence which had been submitted to the Federal Court: the affidavits of Dane R. Penney, Lori-Anne DeBorba, Fernando Mammoliti, Catherine Braconnier, Babak Eslajou, Paul A. Golini, Jr., Andrea Kantelberg, Jeffrey E. Murva, Deano Pellegrino, and Eli Feiglin and the transcript of cross-examination of Mr. Mammoliti (taken March 2, 2016). At the outset, I note that I have not had regard to the affidavits of Ms. Braconnier, Mr. Eslajou, Mr. Golini, Ms. Kantelberg, Mr. Murva and Mr. Pellegrino as the Federal Court found that they are not relevant to the issue of confusion [*Caesarstone Sdot-Yam Ltd (FC)*, para 44].

[14] The Opponent did not request leave to file additional evidence for the purpose of the redetermination.

#### Submissions in this Redetermination

[15] I have had regard to the written submissions filed by each party during the opposition. The Applicant was also granted leave pursuant to section 46(2) of the Regulations to file written submissions for the purposes of the redetermination. Both parties appeared at a hearing.

#### THE PARTIES

##### **The Opponent**

[16] Adolfo Tancredi, the Opponent's Managing Director provided evidence on behalf of the Opponent. His evidence establishes the following.

[17] The Opponent was established in Italy in 1988 and designs floor and wall surface covering products, such as ceramic tiles and related installation materials for walls, stairs and

floors (Tancredi affidavit, para 2). The Opponent's products are promoted and sold in association with the trade-mark CAESAR & Design in over 100 countries, including Canada (Tancredi affidavit, paras 3-4). Mr. Tancredi explains that the Opponent's ceramic tiles are promoted in various ways in Canada. Some distributors display the Opponent's tiles in their own showrooms; others might do presentations to designers or at construction sites [Q72 of the Tancredi cross-examination]. According to Mr. Tancredi, the Opponent's ceramic tiles and related products are also advertised through the distribution of product catalogues and brochures by its Canadian distributors in showrooms, trade fairs and at meetings (Tancredi affidavit, para 12). Sales of the Opponent's ceramic tiles and related products in Canada have ranged from approximately \$1.5 Million (Euros) in 2003 to \$2 Million (Euros) in 2011 with a high of over \$3 Million (Euros) in 2006 (Tancredi affidavit, para 10).

### **The Applicant**

[18] Fernando Mammoliti, Chief Executive Officer of Caesarstone Canada Inc. provides most of the Applicant's evidence concerning the CAESARSTONE brand in Canada.

[19] The Applicant is a leading manufacturer of high quality engineered quartz and stone surfaces which have been sold under the CAESARSTONE brand in Canada since their introduction in 2003 (Mammoliti affidavit, sworn May 2, 2012, para 5 and 10). The Applicant and Caesarstone Canada have spent between \$400,000 to over \$1.8 Million (USD) yearly advertising the CAESARSTONE brand in Canada between 2006-2013 (Mammoliti affidavit, sworn September 22, 2015, para 9). Advertisements have appeared in commercial trade and consumer magazines, social media, and the Applicant's brand is also promoted at trade shows (Mammoliti affidavit, sworn May 2, 2012, paras 17-18). The Canadian revenues of CAESARSTONE branded products over the past several years have increased from \$2 Million (USD) in 2006 to over \$28 Million (USD) in 2011 (Mammoliti affidavit, sworn May 2, 2012, para 32). I note that most of the evidence attached to Mr. Mammoliti's affidavit shows use of the Mark but there are some instances where the word trade-mark CAESARSTONE appears without embellishment and in general the third party references feature the word mark CAESARSTONE as opposed to the Mark.

## SECTION 12(1)(D) GROUND OF OPPOSITION

[20] The material date for assessing this ground of opposition is either February 27, 2015, the date of the decision in *Caesartone Sdot-Yam (TMOB)* or the date of this redetermination decision [see *Cathay Pacific Airways Limited v Air Miles International Trading BV*, 2016 FC 1125 at para 64]. In the circumstances of this case, I do not believe that anything turns on which material date is chosen to assess the issue of confusion with respect to this ground of opposition.

[21] For this ground of opposition, I must assess whether the Mark for use in association with the Redetermination Services is confusing with the Opponent's registration No. TMA725,911 for the CEASAR & Design trade-mark for use in association with the following goods:

Building materials (non-metallic) namely, ceramic tiles for floor and wall coverings, angle beads, angle irons not of metal, stop ends, ceramic tiles for raised floors, stair treads, special finishing pieces, namely, trim pieces and edgings for use with ceramic tiles.

[22] In so deciding, I have had regard to: (i) the test for confusion; (ii) the evidence with respect to each of the factors enumerated in section 6(5) of the Act and (iii) the evidence with respect to the other relevant surrounding circumstances as informed by the decision of the Federal Court.

### **Test for Confusion**

[23] 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.

[24] 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 as well as any other relevant surrounding circumstances. The surrounding circumstances need not be attributed equal weight. [See, in general, *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC).]

[25] Finally, the standard of proof is balance of probabilities. I must be reasonably satisfied that, on a balance of probabilities, it is improbable that the registration of the trade-mark will create confusion [*Christian Dior, SA v Dion, Neckwear Ltd*, 2002 FCA 29; and *Accessoires d'Autos Nordiques Inc v Canadian Tire Corp*, 2007 FCA 367 at para 22].

### **Factors Enumerated in Section 6(5)(a) to (5)(e) of the Act**

[26] With respect to the inherent distinctiveness and extent known of the parties' trade-marks, the findings of the Registrar were not impugned, and it was found that the evidence supported a finding that this factor favours the Applicant in view of substantially more considerable use and promotion of the Mark, centred around kitchen and bath applications in Canada [*Caesartone Sdot-Yam (TMOB)* at para 47]. I reach the same conclusion based on my review of the evidence [see paras 16-18 in this decision summarizing the parties' activities in Canada].

[27] With respect to the length of time in use, this factor significantly favours the Opponent whose trade-mark CAESAR & Design has been used in Canada since 1989 in comparison with the Mark which has been used since 2003 (although this use is primarily in association with various goods as opposed to the Redetermination Services) (Tancredi affidavit, Exhibits C and D; Mammoliti affidavit, sworn May 2, 2012, Exhibit K). The Registrar reached a similar conclusion with respect to the length of time of use with respect to the parties' goods [*Caesartone Sdot-Yam (TMOB)* at para 48].

[28] With respect to the nature of the Redetermination Services and trade, this factor favours the Opponent. The Applicant's goods are fabricated on a custom basis after either being selected by consumers working with designers or architects or being selected by experts before being installed in new residential or non-residential projects. In comparison, the Opponent's tiles are purchased in Canada through a network of distributors with showrooms and retail outlets, are not customized and do not require fabrication prior to installation. Even accounting for these

differences in the parties' trade at the material date, there is still significant overlap in the nature of the trade and business particularly as the Redetermination Services cover wholesale and retail stores featuring tiles and distributorship services covering tiles. Lastly, the Federal Court did not take issue with the Registrar's determination that the fact that the parties' goods are expensive does not mean that there is a low likelihood confusion [*Caesartone Sdot-Yam (FC)* at paras 75-77].

[29] With respect to the degree of resemblance, my findings are the same as the Registrar's in *Caesartone Sdot-Yam (TMOB)* at para 56 and I adopt the Registrar's statement set out below as my own:

... there is necessarily a considerable degree of resemblance between the parties' trade-marks in appearance, sound and in ideas suggested when viewed in their entirety since they both share the same striking element, the term CAESAR. ...

The Federal Court found the finding on resemblance was not unreasonable or improper [*Caesartone Sdot-Yam (FC)* at para 72].

### **Additional Surrounding Circumstances to be Considered**

#### Lack of Evidence of Confusion Despite Co-Existence

[30] At para 69 of its decision, the Federal Court found that there was co-existing use of the parties' CAESAR and CAESARSTONE trade-marks in Canada for a number of years in relation to tiles, slabs and tiles formed of composite stone, wall cladding and walls. Such goods are very closely related to the Redetermination Services.

[31] At para 39 of its decision, the Federal Court explained when an inference may be drawn from a lack of evidence of confusion where there is co-existence between two trade-marks:

While the lack of evidence of confusion from the Respondent is a surrounding circumstance for consideration in assessing the likelihood of confusion (*Mattel*, at paras 55, 89; *Scott Technologies Inc v 783825 Alberta Ltd*, 2015 FC 1336 at para 69 [*Scott Technologies*]), the TMOB is not bound to draw an adverse inference from its absence. The extent to which an inference may be drawn from a lack of actual confusion depends on the circumstances (*Scott Technologies*, above, at para 70), and "an adverse inference may be drawn from the lack of such evidence in circumstances where it would readily be available if the allegation of likely confusion was justified" ... (*Mattel*, at para 55).

[32] The Opponent's position is that no adverse inference can be drawn because it is not apparent that evidence of confusion (if any) would be readily available as required by *Mattel*. In support, the Opponent points out that the Applicant had no mechanism for reporting confusion [see *Caesarstone Sdot-Yam Ltd (FC)* at para 43]. The Opponent relies on the following cases where no adverse inference was drawn because no formal mechanism to report confusion was in place: *Becker Milk Co v Insterstate Brand Co – Licensing Co* (1998), 81 CPR (3d) 270 (FC) at paras 32-34 aff'd by the FCA; *Ports International Ltd v Agenco SPA* (1991), 40 CPR (3d) 137 at para 13; *Cathay Pacific Airways Ltd v Air Miles International Trading BV*, 2016 FC 1125 at paras 107-108.

[33] The Applicant's position is that the absence of a formal mechanism is not determinative. Rather, the Applicant points to paragraph 6 in Mr. Feiglin's affidavit sworn October 6, 2015. Mr. Feiglin, the Applicant's Vice President-Marketing, states that he made inquiries of the Applicant's marketing and sales teams in various countries including Canada, all of whom had been with the Applicant since before 2007, asking whether they had encountered any instances of confusion. None of these members had encountered an instance where a customer, architect, designer, dealer, fabricator, or any other person had asked for the Opponent's tiles, or otherwise been confused as to whether there was or is any relationship between the Opponent and the Applicant and/or the Applicant's engineered quartz materials.

[34] Despite the lack of a formal mechanism for reporting confusion, I find that I can draw an adverse inference from the Opponent's failure to file evidence of actual confusion and that this is a relevant surrounding circumstance in this case.

[35] Similar to *Scott Technologies, supra* at paras 70-71 citing *Mr Submarine Ltd v Amandista Investments*, both parties had been marketing their products to consumers 12 years prior to the material date. In a situation like here, where the parties' goods and services have co-existed for a number of years and each has a high volume of sales in the millions of dollars per year, I find that evidence of confusion, if any, is likely to be readily available even absent a formal reporting mechanism. I find this to be the case, even though Mr. Tancredi suggests that instances of confusion would be unlikely to come to his attention (see Tancredi cross-examination at Qs 56-58).

[36] Mr. Feiglin's evidence that he conducted an inquiry into the marketing and sales teams in Canada regarding instances of confusion and that no instances were reported is consistent with my finding above. In the absence of cross-examination and given the details provided by Mr. Feiglin as to his inquiry including the questions asked (see paragraph 6 of his affidavit), I am prepared to give some weight to this evidence. If I am incorrect to do so, I still would have found this surrounding circumstance significant on the basis of the absence of evidence of confusion given the co-existence of the parties's trade-marks.

#### Applicant's Prior Registration – Co-existence

[37] Attached to the affidavit of Dane Penney, sworn September 8, 2015, Exhibit A, page 51 is a copy of the Applicant's registration No. 619,051 for the word mark CAESARSTONE for use in association with the following goods:

Worktops, sinktops; work surfaces and surrounds for kitchens, bathrooms, vanity units and offices, counter tops; table tops; bar tops; tops and facing surfaces for furniture, reception desks and reception areas.

This trade-mark was registered four years prior to the Opponent's registration of its CAESAR & Design trade-mark.

[38] It is trite law that section 19 of the Act does not give the owner of a registration an automatic right to obtain a further registration no matter how closely it is related to the prior registration [see *Groupe Lavo Inc v Proctor & Gamble Inc* (1990), 32 CPR (3d) 533 at 538 (TMOB)]. That being said, if an applicant has filed evidence that it has used a previously registered trade-mark in Canada this may be a relevant surrounding circumstance which supports a finding that there is no likelihood of confusion [see *Produits Menagers Coronet Inc v Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 CPR (3d) 482 (FCTD)].

[39] Here, there is a clear relationship between the Redetermination Services and the Applicant's registered goods and the Applicant has evidenced use of its trade-mark with these goods for several years [see *Caesarstone Sdot-Yam Ltd (FC)* at para 54]. As such, this is a relevant surrounding circumstance favouring the Applicant.

### **Applicant's Prior Registration – No Opposition**

[40] While I have found that the Applicant's prior registration is a relevant surrounding circumstance, I do not find the fact that the Opponent did not oppose the corresponding application to be relevant.

[41] Even though the trade-marks at issue are very similar, there are important differences such as the relevant material dates. In *Molson Breweries v Labatt Brewing Co* (1996), 68 CPR (3d) 202 (FCTD), where one party argued that a prior inconsistent position taken by the other party was a relevant surrounding circumstance in assessing the likelihood of confusion, the Court stated:

In my view, this circumstance is not relevant in determining whether the two trade-marks at issue are confusing. Regardless of the previous positions taken by Labatt, I must come to a determination as to confusion that is in accordance with the law and relevant jurisprudence.

### **Co-Existence in Other Jurisdictions, Other Opposition Decisions**

[42] The Applicant has provided evidence that the parties' trade-marks co-exist in other jurisdictions and a copy of the decision of the High Court of the Republic of Singapore permitting registration of the Mark (see the affidavits of Lori-Anne DeBorba and Dane Penney; see *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SpA*, [2016] SGHC 45). I do not find the fact of the co-existence in other jurisdictions or the findings of non-confusion in this decision to be a relevant surrounding circumstance given the potential differences in the facts and applicable law.

### **Conclusion**

[43] I find that the Applicant has met its onus to show that the balance of probabilities weighs in its favour with respect to the section 12(1)(d) ground of opposition. Even though there is a considerable degree of resemblance and overlap in the nature of the services and trade, given the acquired distinctiveness of each parties' trade-mark and the absence of evidence of actual confusion between the previously used and registered CAESARSTONE trade-mark and the Opponent's trade-mark, I find that the Applicant has demonstrated that there is not a reasonable

likelihood of confusion between the Opponent's trade-mark and the use of the Mark in association with the Redetermination Services.

#### REMAINING GROUNDS OF OPPOSITION

[44] The remaining grounds of opposition are based on sections 16 (entitlement) and 2 (distinctiveness) of the Act and are to be considered at earlier material dates. For the sections 16(2) and 16(3) grounds of opposition, the material date is the priority filing date of August 26, 2007 [see sections 16 and 34 of the Act] and for the section 2 distinctiveness ground of opposition it is November 9, 2010 [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 at 324 (FC)].

[45] In its written submissions filed with respect to the redetermination, the Applicant submits that if it succeeds with respect to the section 12(1)(d) ground of opposition it should succeed with respect to the opposition as a whole since the Registrar's decision found that "the different dates do not result in a different outcome" [*Caesarstone Sdot-Yam Ltd (TMOB)*, at para 69]. Here, however, as I have found the parties' long period of co-existence absent confusion and the Applicant's registration to be relevant surrounding circumstances with respect to the section 12(1)(d) ground of opposition, I must see if these relevant factors also pertain to the grounds of opposition at the earlier material dates.

#### **Section 2 Ground of Opposition**

[46] With respect to the distinctiveness ground of opposition, I find that the Applicant has met its legal onus to demonstrate that there is not a reasonable likelihood of confusion for the same reasons as with respect to the section 12(1)(d) ground of opposition. While I acknowledge the period of co-existence between the Opponent's use of its trade-mark and the Applicant's use of its trade-mark and registration is less, I still find that the same inference (albeit not as strong) can be drawn with respect to a lack of confusion as with the section 12(1)(d) ground of opposition. Accordingly, this ground of opposition is rejected.

## Sections 16(2) and 16(3) Grounds of Opposition

[47] At the hearing, the Applicant submitted that it is open to me to reconsider whether the Opponent has met its evidential burden. If I had considered this to be within the scope of redetermination, I would have found that given Mr. Tancredi's evidence as a whole, it was reasonable to infer that labels similar to Exhibits C and/or D were used at the material time and in view of the Opponent's evidence of sales, this would be sufficient for the Opponent to meet its evidential burden in association with ceramic tiles. This is consistent with the previous findings of the Registrar and the Federal Court [see *Caesarstone Sdot-Yam Ltd (TMOB) (FC)* at para 74; *Caesarstone Sdot-Yam Ltd (TMOB)* at para 70].

[48] As the Opponent meets its evidential burden, I must assess whether the Applicant has met its legal onus with respect to these grounds of opposition. After considering all of the surrounding circumstances, I find that the Applicant has failed to satisfy its legal onus in demonstrating on a balance of probabilities that there was no reasonable likelihood of confusion between the Opponent's trade-mark CAESAR & Design and the Mark for use in association with the Redetermination Services involving tiles. I arrive at this conclusion due to the considerable degree of resemblance between the trade-marks, the overlap in the nature of these services and the Opponent's ceramic tiles and their channels of trade. Finally, the inferences to be drawn from the co-existence of the parties' trade-marks and the Applicant's prior registration are weaker than with respect to the section 12(1)(d) ground of opposition:

- With respect to co-existence between the trade-marks in the marketplace, the evidence suggests that at the material date the parties' trade-marks had co-existed for approximately four years (2003-2007) and Mr. Feiglin's evidence supporting a lack of confusion only applies to the time period after 2007 (Feiglin affidavit, para 6, October 6, 2015).
- With respect to the Applicant's prior registration No. 619,051, this trade-mark had only been registered for a few years and the evidence of use of the registered goods in association with either the Mark or the trade-mark CAESARSTONE is not as extensive as at the later dates. For example, in 2007 Canadian sales of CAESARTSTONE product exceeded \$6 Million (USD) whereas for each of the years 2011-2015 sales exceeded

between \$28 Million in 2011 and \$60 Million in 2014 (Mammoliti affidavit, sworn September 22, 2015 at para 6). As such, in 2007, I do not find that I can infer that a consumer encountering, for example, a retail showroom for tiles in association with the Mark would believe that those services were not performed by or connected to the Opponent who at this material date had greater sales of its ceramic tiles and had been selling them for almost twenty years in Canada. In this regard, it is important to note that the Applicant's earlier registration does not include tiles.

[49] With respect to the Redetermination Services covering slabs, walls and wall cladding, I do not find the same likelihood of confusion for these services as the Opponent's evidence of reputation appears to be primarily directed to ceramic tiles and related installation products (see, for example, Tancredi cross-examination Qs 8-12) and while ceramic tiles can be used to cover walls or create wall cladding, the overlap in the nature of these services with the Opponent's ceramic tiles is not as great as the Redetermination Services involving tiles.

[50] Finally, I am not able to consider the evidence of co-existence or use of the Applicant's CAESARSTONE trade-mark from 2008-2015 as this evidence postdates the material date by several years and is not intrinsically connected with facts occurring at the material date [see *Servicemaster Co v 385229 Ontario Ltd* (2015), 132 CPR (4th) 161 (FCA) at paras 21-22].

[51] Accordingly, the section 16(2) and 16(3) grounds of opposition is successful with respect to the following services:

(1) Wholesale and retail stores and wholesale and retail showrooms featuring tiles, tiles formed of composite stone for building panels; offering consulting, support, marketing, promotional and technical assistance in the establishment and operation of distributorship, dealership, franchising, wholesale and retail stores that feature tiles formed of composite stone for building panels.

(2) Installation, maintenance and repair services of tiles formed of composite stone.

[52] Although, this means that the Mark will be refused with respect to some services concerning tiles (ie) those that were opposed and will be allowed with respect to other services involving tiles (ie) those that were not opposed, I do not consider this a concern since not all of these services were subject to opposition.

## DISPOSITION

[53] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application with respect to the following services:

(1) Wholesale and retail stores and wholesale and retail showrooms featuring tiles, tiles formed of composite stone for building panels; offering consulting, support, marketing, promotional and technical assistance in the establishment and operation of distributorship, dealership, franchising, wholesale and retail stores that feature tiles formed of composite stone for building panels.

(2) Installation, maintenance and repair services of tiles formed of composite stone.

[54] For ease of reference, below is the application as advertised with the services (i) refused in the *Caesarstone Sdot-Yam Ltd (TMOB)* and affirmed by the Federal Court and (ii) this decision being shown in strike out. The application will proceed to allowance with the remaining goods and services:

### Goods:

(1) Worktops, sinktops; work surfaces and surrounds for kitchens, bathrooms, vanity units and offices, counter tops; table tops; bar tops; tops and facing surfaces for furniture, reception desks and reception areas.

### Services:

(1) Wholesale and retail stores and wholesale and retail showrooms featuring tops and facing surfaces, work surfaces, surrounds, ~~tiles, panels, floor coverings,~~ wall cladding, ~~flooring,~~ ceilings, slabs ~~and tiles~~ formed of composite stone for building panels, counter tops, vanity tops, ~~floors,~~ ceilings, ~~stairs,~~ and walls; provision of commercial information in the field of quartz surfaces and countertops; offering consulting, support, marketing, promotional and technical assistance in the establishment and operation of distributorship, dealership, franchising, wholesale and retail stores that feature tops and facing surfaces, work surfaces and surrounds, tiles, panels, ~~floor coverings,~~ wall cladding, ~~flooring,~~ ceilings, slabs ~~and tiles~~ formed of composite stone for building panels, counter tops, vanity tops, ~~floors,~~ ceilings, ~~stairs~~ and walls.

(2) Installation, maintenance and repair services of worktops, sinktops, work surfaces and surrounds for kitchens, bathrooms, vanity units and offices, counter tops, table tops, bar tops, tops and facing surfaces for furniture, reception desks and reception areas, tiles, ~~panels for floors, floor coverings, wall cladding, flooring, ceilings, non-metallic covers for use with floors and parts thereof, profiles and floor skirting boards, slabs and tiles~~ formed of composite stone.

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Natalie de Paulsen  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office

## SCHEDULE A

Applied-for Goods and Services in Application No. 1,377,940

### Goods:

(1) Worktops, sinktops; work surfaces and surrounds for kitchens, bathrooms, vanity units and offices, counter tops; table tops; bar tops; tops and facing surfaces for furniture, reception desks and reception areas.

### Services:

(1) Wholesale and retail stores and wholesale and retail showrooms featuring tops and facing surfaces, work surfaces, surrounds, tiles, panels, floor coverings, wall cladding, flooring, ceilings, slabs and tiles formed of composite stone for building panels, counter tops, vanity tops, floors, ceilings, stairs, and walls; provision of commercial information in the field of quartz surfaces and countertops; offering consulting, support, marketing, promotional and technical assistance in the establishment and operation of distributorship, dealership, franchising, wholesale and retail stores that feature tops and facing surfaces, work surfaces and surrounds, tiles, panels, floor coverings, wall cladding, flooring, ceilings, slabs and tiles formed of composite stone for building panels, counter tops, vanity tops, floors, ceilings, stairs and walls.

(2) Installation, maintenance and repair services of worktops, sinktops, work surfaces and surrounds for kitchens, bathrooms, vanity units and offices, counter tops, table tops, bar tops, tops and facing surfaces for furniture, reception desks and reception areas, tiles, panels for floors, floor coverings, wall cladding, flooring, ceilings, non-metallic covers for use with floors and parts thereof, profiles and floor skirting boards, slabs and tiles formed of composite stone.

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

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**HEARING DATE** 2017-04-18

**APPEARANCES**

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