



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2019 TMOB 102

Date of Decision: 2019-10-02

IN THE MATTER OF AN OPPOSITION

**PHILHOBAR DESIGN CANADA
LTD.**

Opponent

and

HYDROGEN SPA

Applicant

1,659,786 for HYDROGEN & Design

Application

INTRODUCTION

[1] PHILHOBAR DESIGN CANADA LTD. (the Opponent) opposes registration of the trademark HYDROGEN & Design (the Mark), reproduced below, which is the subject of application No. 1,659,786, filed by HYDROGEN SPA (the Applicant).

HYDR**GEN**

[2] The Mark is based upon proposed use in Canada in association with the following goods, as revised by the Applicant:

bags for sport; handbags; bags for travelling; shopping bags; beach bags; suitcases; school bags; leather and imitations of leather, and goods made of these materials, namely leather bags, leather shopping bags, key-cases of leather and skins, traveling sets; trunks; headgear, namely caps, hats; footwear, namely shoes for sports, beach shoes; boots; shoes; sandals. (the Goods)

[3] For the reasons that follow, the application is refused.

THE RECORD

[4] The application for the Mark was filed on January 15, 2014 and claims a priority filing date of December 18, 2013 based on the filing of a corresponding application in Italy. The application was advertised for opposition purposes in the *Trademarks Journal* on June 8, 2016.

[5] On October 27, 2016, the Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). This Act was amended on June 17, 2019. All references are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act before it was amended (see section 70 of the Act which provides that section 38(2) of the Act, as it read prior to June 17, 2019, applies to applications advertised before that date).

[6] The Opponent raises grounds of opposition based upon sections 2 (non-distinctiveness), 12(1)(d) (non-registrability), and 16(3)(a) (non-entitlement) of the Act. The main issue is whether there is a likelihood of confusion between the Mark and the Opponent's trademark HYDROGEN registered under No. TMA723,220 in association with various clothing items.

[7] On December 19, 2016, the Applicant filed and served a counter statement denying each ground of opposition as pleaded.

[8] In support of its opposition, the Opponent filed:

- A Certificate of Authenticity dated March 24, 2017 for the aforementioned registration No. TMA723,220, which attaches a true copy of the record of the registration dated

September 9, 2008, and does not reflect an amendment made by the Opponent, recorded by the Registrar on August 18, 2016, to delete certain goods therefrom. I will return to this point later.

- The affidavit of Gay Owens, trademark searcher employed by the Opponent's trademark agent, sworn on April 13, 2017 (the Owens affidavit).
- The affidavit of Maria Di Fruscia, a legal assistant employed by the Opponent's trademark agent, sworn on April 18, 2017 (the Di Fruscia affidavit).

[9] Neither of the affiants was cross-examined.

[10] The Applicant elected not to file any evidence.

[11] Only the Opponent filed a written argument; both parties attended an oral hearing.

THE PARTIES' RESPECTIVE BURDEN OR ONUS

[12] The Opponent has the initial evidential burden to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist. Once that burden is met, the Applicant bears the legal onus of establishing, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); and *Dion Neckwear Ltd v Christian Dior, SA et al*, 2002 FCA 29, 20 CPR (4th) 155 (FCA)].

GROUND OF OPPOSITION SUMMARILY DISMISSED

[13] At the outset of the hearing, the Opponent conceded that the grounds of opposition based on section 2 (non-distinctiveness) and section 16(3)(a) (non-entitlement) of the Act ought to be dismissed for the Opponent has not met its evidential burden in respect thereof. Accordingly, I will not discuss these grounds further.

GROUND OF OPPOSITION BASED ON SECTION 12(1)(D) (NON-REGISTRABILITY) OF THE ACT

[14] The Opponent has pleaded that the Mark is not registrable in view of the provisions of section 12(1)(d) of the Act in that it is confusing with the Opponent's registered trademark HYDROGEN identified above.

[15] I have exercised the Registrar's discretion to confirm that this registration is in good standing as of today's date, which is the material date for assessing a section 12(1)(d) ground of opposition [*Park Avenue Furniture Corp v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)]. In this regard, and as noted above, an amendment to delete certain goods from this registration was recorded by the Registrar on August 18, 2016. The statement of goods reads as follows: "men's, and boys' clothing namely, T-shirts, polo shirts, shirts, pants, shorts, coats, jackets, turtlenecks".

[16] As the Opponent's evidential burden has been satisfied, the Applicant must therefore establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and the Opponent's registered trademark.

The test for confusion

[17] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act provides that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class or appear in the same class of the Nice Classification.

[18] Thus, this section does not concern the confusion of the trademarks themselves, but of the goods or services from one source as being from another.

[19] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time the trademarks have 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 trademarks in appearance or sound or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors are not necessarily attributed equal weight as the weight to be given to each depends on the circumstances [see *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion].

The inherent distinctiveness of the trademarks and the extent to which they have become known

[20] Both of the parties' trademarks are inherently distinctive.

[21] The Opponent's trademark is the word HYDROGEN. The Opponent invites the Registrar to take judicial notice that the generally understood meaning of the word HYDROGEN is that of a colorless gas. This definition is consistent with that provided in the *Oxford Reference Dictionary* as "a colourless, odourless, highly flammable gas [...]" [see *Tradall SA v Devil's Martini Inc*, 2011 TMOB 65 (CanLII) at para 29, which provides that the Registrar can take judicial notice of dictionary definitions]. Although the word HYDROGEN is an ordinary dictionary term for a highly flammable gas, it is not logically suggestive or descriptive of the Opponent's registered goods, and thus inherently distinctive.

[22] As depicted above, the Mark is a composite mark featuring the letters "HYDR" and "GEN" appearing in the same size and stylized font, and a fanciful skull design element positioned between them. As the skull design element is fairly circular shaped and appears in the same size relative to the letters "HYDR" and "GEN", it would readily be perceived as a replacement for the letter "O", thereby rendering the word HYDROGEN identifiable, albeit in a stylized form. Notably, in its covering letter accompanying its application for the Mark, the Applicant itself has described the Mark as "HYDROGEN & Design". Furthermore, the Applicant acknowledged at the hearing that both parties' trademarks were inherently distinctive owing in part, to the word HYDROGEN in the Mark. When taken as a whole, the Mark is also not logically suggestive or descriptive of the Goods, and thus inherently distinctive.

[23] The degree of distinctiveness of a trademark may be increased by means of it becoming known through promotion or use. However, there is no evidence that either of the parties' trademarks has been used in Canada pursuant to section 4 of the Act or that either has become known in Canada to any extent.

[24] I therefore find that the section 6(5)(a) factor, which involves an assessment of both the inherent and acquired distinctiveness of the parties' marks, does not significantly favour one party over the other.

The length of time the trademarks have been in use

[25] As mentioned above, the application is based upon proposed use in Canada and there is no evidence that any use of the Mark commenced since its filing.

[26] Turning to the Opponent, the mere existence of its registration for the word mark HYDROGEN allows me to infer no more than *de minimis* use of such trademark in association with the Opponent's registered goods, from the filing of a declaration of use on August 19, 2008, and it cannot give rise to an inference of significant and continuous use of the Opponent's trademark [*Entre Computer Centers, Inc v. Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)].

[27] I therefore find that the section 6(5)(b) factor favours the Opponent, but not significantly.

The nature of the goods, services or business; and the nature of the trade

[28] When considering the goods and services of the parties, it is the statement of goods and services in the parties' trademark application and registration that govern the issue of confusion arising under section 12(1)(d) [*Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); and *Miss Universe Inc v Bohna* (1994), 58 CPR (3d) 381 (FCA)]. However, those statements must be read with a view to determining 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, particularly where there is an ambiguity as to the goods or services covered in the application or registration at issue [*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); and *American Optical Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[29] As mentioned above, the statement of the Goods in the application for the Mark covers, generally speaking, bags (made of leather or not), footwear and headgear, whereas the Opponent's trademark is registered in association with, generally speaking, men's, and boys' clothing.

[30] In an attempt to distinguish the nature of the parties' goods, the Applicant highlights that the application for the Mark contains no clothing items, contrary to the Opponent's registration for the trademark HYDROGEN which only covers clothing. However, goods need not be identical for a reasonable likelihood of confusion to exist between trademarks. Further, as reminded in *Mattel, supra*, at paragraph 65, the goods "need not even be of the same general class".

[31] In that regard, while there is no direct overlap in the parties' goods in that the Opponent's registration does not cover "footwear", "headgear" and "bags", I am of the view that there is nonetheless a connection in the nature of the parties' goods, as I find clothing accessories such as "footwear" and "headgear" to be closely related to clothing. Similar goods have been held to be related in the past, with or without the benefit of evidence [see for example *Hayabusa Fightwear Inc v Suzuki Motor Corporation*, 2014 FC 784 at 55; *I. Hignell & Associates Ltd v HH Brown Shoe Co (Canada) Ltd* (1991), 34 CPR (3d) 569 (TMOB); *Salamander Aktiengesellschaft v Pacific Clothing Exchange Ltd* (1988), 19 CPR (3d) 349 at 351 (TMOB); and *Eber San Francisco v Iramaos Pedro Ltda* (1986), 9 CPR (3d) 141 at 144 (TMOB)]. In the context of the Applicant's statement of goods, and to the extent that they can be regarded as clothing accessories, I find that in the present case, the goods falling in the general category of "bags" are also somewhat related to clothing, as supported by the Opponent's evidence introduced through the Di Fruscia affidavit discussed below.

[32] In her affidavit, Ms. Di Fruscia explains having accessed the online websites of retailers she identified as Zara (www.zara.com/ca), Gap (www.gapcanada.ca), Nike (www.nike.com/ca), H&M (www2.hm.com/en_ca/index.html), BCBG (www.bcbg.com) and Harry Rosen

(www.harryrosen.com). More specifically, Ms. Di Fruscia accessed the following sections of each of these retailers' websites:

- homepage;
- Canadian store locations;
- clothing;
- hats;
- shoes; and
- bags.

[33] Based on the Di Fruscia affidavit, there is evidence that these various retailers offer for sale, both online and through brick and mortar outlets across Canada, different types of clothing, footwear, headgear and bags, as supported by the following exhibits:

- Exhibit MD-1: printouts extracted from retailer ZARA's website offering for sale clothing such as men's jackets and suits, headgear such as men's and/or women's hats, caps, berets, and footwear such as men's and/or women's shoes and sandals (including ZARA branded shoes), and various types of bags including crossbody bags, backpacks and ZARA branded totes.

Notably, in one of the attached webpage extracts, retailer ZARA offers for sale a men's "basic hat", and on this same webpage, the words "WEAR WITH" appear with two pictures immediately underneath them – one of men's footwear – and the other of a bag, indicating a suggestion to pair the "basic hat" with the footwear and bag displayed in these photos.

- Exhibit MD-2: printouts extracted from retailer GAP's website offering for sale GAP branded clothing such as polo shirts, headgear such as GAP branded caps, footwear such as shoes, GAP branded sneakers and flip flops, and various types of bags, including GAP branded totes, duffel bags and backpacks.

- Exhibit MD-3: printouts extracted from retailer NIKE’s website offering for sale clothing such as NIKE branded men’s polo shirts, headgear such as men’s NIKE branded caps, footwear such as NIKE branded men’s running shoes, and various types of bags including NIKE branded gym bags, duffel bags and backpacks.

Notably, in the attached webpage extracts displaying the heading “men’s accessories and equipment”, NIKE branded hats and NIKE branded bags such as gym bags, duffel bags and backpacks appear for sale alongside one another.

- Exhibit MD-4: printouts extracted from retailer H&M’s website offering for sale H&M branded clothing such as polo shirts, t-shirts, sweatpants, and shorts, headgear such as men’s hats, footwear such as H&M branded men’s shoes, and various types of bags including handbags, shopper with a clutch bags, and leather weekend bags.

Notably, in the attached webpage extracts displaying the heading “shoes and accessories” for men, footwear, hats, leather belts, and backpacks appear for sale alongside one another.

- Exhibit MD-5: printouts extracted from retailer BCBG’s website offering for sale woman’s clothing such as skirts, shorts and sweaters, headgear such as hats, footwear such as BCBG branded leather sandals, and various types of bags including leather crossbody bags, leather totes, satchels and clutches.
- Exhibit MD-6: printouts extracted from retailer Harry Rosen’s website offering for sale men’s sports jackets, headgear such as hats and caps, footwear such as leather sneakers, and various types of bags including brief bags, crossbody bags, backpacks and suitcases.

[34] Neither the Opponent’s registration for the trademark HYDROGEN nor the application for the Mark contain restrictions or limitations with respect to the parties’ channels of trade. Without any such restrictions or limitations, and in light of the Opponent’s uncontroverted evidence discussed above, I am unable to conclude that there would also not be any potential overlap in the parties’ channels of trade.

[35] I therefore find that the section 6(5)(c) and (d) factors favour the Opponent.

The degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them

[36] As mentioned above, it is well-established in the case law that likelihood of confusion is a matter of first impression and imperfect recollection. In this regard, “[w]hile the marks must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public’s perception of it” [*Pink Panther Beauty Corp v United Artists Corp* (1998), 80 CPR (3d) 247 (FCA), at para 34]. Even though the first word or portion of a trademark is generally the most important for the purpose of distinction, the preferable approach is to first consider whether any aspect of the trademark is particularly striking or unique [*Masterpiece, supra*, at para 64].

[37] With respect to the Mark, as mentioned above, the letters “HYDR” and “GEN” all appear in the same size and stylized font, while the fanciful skull design element positioned between them also appears in the same size as the letters “HYDR” and “GEN”. As such, while the skull design element is *per se* unique, I do not consider that it constitutes the dominant element in the Mark. In that regard, contrary to the Applicant’s assertions that given the positioning of the skull design, the letters “HYDR” and “GEN” could suggest acronyms, in my view, it is difficult to conceive how the Mark, when taken as a whole, would be perceived as anything other than a stylized form of the word HYDROGEN, thus constituting the dominant element in the Mark.

[38] With the above in mind, in the present case, the Applicant’s Mark incorporates the Opponent’s word mark HYDROGEN. In the absence of any additional wording, the parties’ marks are therefore phonetically identical, though visually somewhat dissimilar, owing to the skull design element. In terms of the ideas suggested, neither of the parties’ trademarks has any clear meaning in the context of the parties’ respective goods. That said, while the integration of the skull design element into the word HYDROGEN may arguably introduce the dual ideas of a skull and hydrogen, whereas the Opponent’s trademark suggests hydrogen alone, the fact remains that the ideas suggested by the parties’ trademarks overlap owing to their shared and recognizable term HYDROGEN, which is their dominant element.

[39] To sum up, when all three aspects of the degree of resemblance are considered together, I find that the parties' trademarks are more alike than they are different.

[40] Accordingly, I find that the section 6(5)(e) factor favours the Opponent.

Additional surrounding circumstance

[41] As an additional surrounding circumstance, the Opponent relies on the state of the register evidence with respect to the word HYDROGEN introduced through the Owens affidavit.

[42] More particularly, on April 12, 2017, Ms. Owens conducted a search in the CD NameSearch database (a computerized trademark search system that contains copies of the official trademarks records on the Canadian Trademarks Database maintained by the Registrar), for all active Canadian trademark applications and registrations which contain the word HYDROGEN, including spelling variations and phonetic equivalents thereof, covering clothing, apparel, footwear, headgear and/or bags, as well as the retail sale thereof.

[43] The Opponent points out that Ms. Owens' searches reveal that aside from the Mark, and a further "HYDROGEN" composite trademark in the name of the Applicant identified under application No. 1,666,428, also being opposed by the Opponent, the Opponent's registered trademark HYDROGEN is the only other "HYDROGEN" trademark on the register associated with the parties' respective goods [Exhibit GO-1 attached to the Owens affidavit].

[44] State of the register evidence is often introduced by a party to show the commonality or distinctiveness of a trademark or part of a trademark in relation to the register as a whole. It has been held that state of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace, and inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Del Monte Corporation v Welch Foods Inc* (1992), 44 CPR (3d) 205 (FCTD); and *Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA)].

[45] Where there is a large number of trademarks consisting of or incorporating the same term on the register, the inference which may be drawn is that at least some of these trademarks are

likely in use in the marketplace. It then follows that consumers would likely already be accustomed to seeing and distinguishing between these trademarks, such that small differences between them would suffice to enable consumers to do so.

[46] However, in this case, the Opponent argues that this state of the register evidence should enable me to draw an opposite inference, that is, an inference that consumers of clothing and clothing accessories are *not* accustomed to seeing marks which are similar to HYDROGEN in the marketplace, which further increases the likelihood of confusion in the context of the present case.

[47] While I am mindful that the Registrar has, in other decisions, been prepared to draw opposite inferences about the state of the marketplace, I regard such findings to turn on the particular facts of those cases. In this regard, if not only because there is no evidence that the Opponent's trademark has been in use in Canada, I do not find the fact that there are no other "HYDROGEN" trademarks on the register to result in the inference that a consumer seeing the Mark would be more likely to assume it was a trademark related to the Opponent. Accordingly, I am not affording weight to this additional surrounding circumstance.

Conclusion regarding the likelihood of confusion

[48] As indicated above, the Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. The presence of an onus on the Applicant means that if, after all the evidence is in, a determinate conclusion cannot be reached, the issue must be decided against the Applicant [see *John Labatt, supra*].

[49] As discussed above, the parties' trademarks bear a fair degree of resemblance, as in my view, the average consumer would identify the Mark as a stylized version of the word HYDROGEN. Furthermore, I cannot disregard the connection in the nature of the parties' goods and the potential overlap in the nature of the parties' channels of trade. In the absence of any additional surrounding circumstances favouring the Applicant, I am unable to conclude that the Applicant has met its legal onus to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion in the consumer's mind as to the source of the parties' goods.

[50] Accordingly, the section 12(1)(d) ground of opposition succeeds.

DISPOSITION

[51] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act.

Annie Robitaille
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
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HEARING DATE 2019-06-18

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