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LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2020 TMOB 57

Date of Decision: 2020-03-24

IN THE MATTER OF AN OPPOSITION

The Black & Decker Corporation

Opponent

And

Piranha Abrasives Inc.

Applicant

**1,662,383 for PIRANHA ABRASIVES
and Design**

Applications

1,720,124 PIRANHA ABRASIVES

INTRODUCTION

[1] Piranha Abrasives Inc., the Applicant in this case, specializes in various diamond abrasive tools, machines and services for use with marble, granite, glass, porcelain, tile and concrete. It has applied for the marks PIRANHA ABRASIVES and PIRANHA ABRASIVES and Design for use with these types of specialized tools and accessories and related services. The Black & Decker Corporation, the Opponent, sells, *inter alia*, blades for power saws and circular saw blades for use primarily with wood, plastics and dry wall. It is also the owner of Canadian trademark registrations for the word marks PIRANHA and two PIRANHA and Design marks registered for circular saw blades or saw blades for power saws. The Opponent opposes the registration of both of the Applicant's marks.

[2] For the reasons that follow, both oppositions are rejected.

APPLICATION NO. 1,662,383 FOR PIRANHA ABRASIVES AND DESIGN

THE RECORD

[3] On February 3, 2014, the Applicant filed application No. 1,662,383 for the trademark PIRANHA ABRASIVES and Design (the Design Mark) (shown below).



The Design Mark includes the following colour claim:

“Colour is claimed as a feature of the trademark. The piranha design is blue with a substantially horizontal yellow stripe running within and along the dorsal and ventral edges of the fish. The scalloped semi-circle on the top left is gold with a silver band around the circumference, and the other two scalloped semi-circles are silver. The word 'piranha' is green. The word 'abrasives' is black. The line separating the words 'piranha' and 'abrasives' is black.”

[4] The Applicant has applied for the Design Mark in association with the following goods and services, based on both use and proposed use as indicated below:

Goods

(1) Diamond abrasive core bits, polishing and grinding tools for use with marble, granite, glass, porcelain, tile and concrete (used in CANADA since at least as early as May 2010);

(2) Cutting machines for use with marble, granite, glass, porcelain, tile and concrete; electric polishing machines for polishing marble, stone and granite; quarry stone milling machines for use with granite and marble; sharpening machines for sharpening tools; sharpening wheels of sharpening machines for sharpening tools (based on proposed use in Canada).

Services

(1) Repair, manufacture, and customization of diamond abrasive core bits, polishing and grinding tools (used in CANADA since at least as early as July 2012);

(2) Soldering and welding of core bits, polishing and grinding tools (based on proposed use in Canada).

[5] The application was advertised for opposition purposes in the *Trademarks Journal* on November 4, 2015.

[6] The Opponent filed a statement of opposition against the Design Mark pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) on February 26, 2016. The Act was amended on June 17, 2019. All references in this decision are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act as it read before it was amended. Section 70 of the Act provides that section 38(2) of the Act as it read prior to June 17, 2019 applies to applications advertised prior to that date.

[7] As noted above, the Opponent is the owner of Canadian trademark registration Nos. TMA330,222 for PIRANHA (word mark) and TMA330,223 and TMA452,371 for PIRANHA and Design (shown below). These marks will be referred to collectively as “the Opponent’s PIRANHA marks”.



TMA 330,223



TMA 452,371

[8] The Opponent's grounds of opposition are summarized below:

- The Application does not conform to the requirements of section 30(b) of the Act in that the Applicant did not use the Design Mark in Canada in association with the applied for goods and services since the claimed dates of first use;
- The Application does not comply with section 30(i) of the Act, because the Applicant could not have been satisfied that it was entitled to use the Design Mark in association with the applied for goods and services since at the filing date of the application the Design Mark was confusing with the Opponent's PIRANHA trademarks of which the Applicant must have been aware in view of the prior registrations and use of the same by the Opponent.
- The Design Mark is not registrable pursuant to section 12(1)(d) of the Act, because the Design Mark is confusing with the Opponent's three registered PIRANHA trademarks;
- The Applicant is not the person entitled to registration of the Design Mark in Canada pursuant to section 16(1)(a) of the Act, because at the Applicant's date of first use the Design Mark was confusing with the Opponent's PIRANHA trademarks which had been previously used in Canada by the Opponent;
- The Applicant is not the person entitled to registration of the Design Mark because at the filing date of the application the Design Mark was confusing with the Opponent's PIRANHA trademarks which had been previously used in Canada by the Opponent; and

- The Design Mark is not distinctive within the meaning of section 2 of the Act, in that it is neither adapted to distinguish nor capable of distinguishing the applied for goods and services from the goods provided by the Opponent in association with its PIRANHA marks.

[9] On May 9, 2016, the Applicant filed a counter statement which denied the grounds of opposition and also set forth its reasons (which will be discussed further below) why it considered the opposition against the Design Mark to be frivolous and vexatious.

[10] The Opponent filed the affidavits of Julie Chung and George C. Weston as its evidence in chief and the Applicant filed the affidavits of Pino Cannarozzo and Carolyn Hewitt. As its evidence in reply the Opponent filed the affidavit of Shawn Duguay. While the Opponent requested and was granted an order for the cross-examinations of Mr. Cannarozzo and Ms. Hewitt, the Opponent elected not to proceed with the cross-examinations.

[11] Both parties filed written arguments and a hearing was held at which both parties were represented.

ONUS AND MATERIAL DATES

[12] The Applicant bears the legal onus of establishing, on a balance of probabilities that its application complies with the requirements of the Act. However, there is an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

[13] The material dates with respect to the grounds of opposition are:

- sections 38(2)(a)/30 of the Act - the filing date of the application [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB)];
- sections 38(2)(b)/12(1)(d) of the Act - the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)];

- section 38(2)(c)/16(1) of the Act – the applicant’s date of first use;
- sections 38(2)(c)/16(3) of the Act - the filing date of the application; and
- sections 38(2)(d) of the Act - the date of filing of the opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

PRELIMINARY ISSUES

Prior Decision of the Federal Court

[14] In *Black & Decker Canada Corporation v Piranha Abrasives Inc*, 2015 FC 185 (*Black & Decker v Piranha Abrasives*), the Federal Court of Canada found that the Applicant’s use of the Design Mark in association with “diamond abrasive cutting tools” infringed the Opponent’s rights in its PIRANHA and PIRANHA and Design registrations (TMA 330,222 and TMA 452,371). Although the Federal Court ordered that the Design Mark’s application be amended to delete diamond abrasive cutting tools, it also held that there was no infringement of the Opponent’s rights by the Applicant’s use of the Design Mark with its other products.

[15] The Applicant submits that the Opponent’s opposition to its applications is an attempt for a retrial of issues already finally disposed of by the Federal Court which decision was not appealed. The Applicant maintains that Mr. Justice Manson already considered all of the grounds raised in this opposition. The Applicant points to paragraph 110 of the decision, where Justice Manson stated the following::

“While I have decided there is trademark infringement resulting from the Respondent’s use of its PIRANHA ABRASIVES and Design trademark and trade name as used in association with abrasive circular saw blades, I do not find there is any such infringement by the Respondent’s use of its PIRANHA ABRASIVE and Design trademark or trade name with its other products. I have also not found any passing off or depreciation of goodwill by virtue of the Respondent’s activities.”

[16] The Applicant further submits that the Opponent is estopped from proceeding in this action to have the same fundamental issue decided by virtue of the principle of *res judicata*. The Applicant maintains that there are solid policy reasons to avoid duplicative litigation, since it

could lead to potentially inconsistent results. Further, the Applicant submits that it deserves finality to litigation which is the prime objective of *res judicata*.

[17] The Opponent, on the other hand, submits that it is well accepted that to the extent that the evidence filed in an opposition proceeding differs from that filed in a prior proceeding at the Federal Court, the Registrar is not bound by the Federal Court's decision [*Vibe Ventures LLC v CTV Limited*, 2010 TMOB 166 and *McCallum Industries Limited v. HJ Heinz Company Australia Limited*, 2014 TMOB 284]. The Opponent further submits that the Federal Court's conclusions and findings in the prior decision do not preclude the Opponent from opposing the registration of the applied for Design Mark.

[18] I agree with the Applicant that there are similarities between the infringement action and the present opposition – the parties are the same, some of the evidence is the same and both proceedings include, *inter alia*, a determination of the issue of confusion between the Opponent's marks and the Applicant's Design Mark. The evidence presented is also similar. However, the jurisprudence is clear that the doctrine of *res judicata* is not applicable in opposition proceedings and that each case must be decided on its own merits [see *Sunny Crunch Foods Ltd v Robin Hood Multifoods Inc* (1982), 70 CPR (2d) 244 (TMOB) at 249]. The application filed in Federal Court was for, *inter alia*, an injunction restraining the Applicant from using its PIRANHA ABRASIVES and Design Mark with abrasive circular saw blades whereas in this proceeding the Opponent is opposing the registration of the Applicant's PIRANHA ABRASIVES and Design Mark which has been in applied for in association with both goods and services. Several of the legal issues to be determined, as well as the material dates to determine these issues, are different. As such, I cannot reject the opposition on the sole basis of *res judicata*. Having said that, I will still refer to the Federal Court decision where it is appropriate to do so.

[19] With respect to the Applicant's allegations that this opposition is vexatious, section 38(4) of the Act governs the forwarding of the statement of opposition. If the Registrar finds that at least one ground of opposition raises a substantial issue for decision, a statement of opposition will be forwarded to the applicant. In this case, the Registrar considered at least one ground of opposition raised a substantial issue for decision. If the Applicant in this case wished to request

an interlocutory ruling striking each of the grounds of opposition on the basis that each did not comply with section 38(3) of the Act, it must have done so at the same time or prior to filing the counter statement. At this point, I consider that each of the grounds of opposition as pleaded and read complies with section 38(3).

Copies of Affidavits from the Federal Court proceeding attached to Cannarozzo Affidavit

[20] Mr. Cannarozzo is the Director of the Applicant. In addition to describing the background of his company and the Applicant's products sold under its PIRANHA ABRASIVES word and design trademarks, Mr. Cannarozzo comments on the decision in *Black and Decker v Piranha Abrasives*, and the Opponent's evidence in this proceeding. He maintains that the evidence filed in this proceeding is not different from the evidence filed in *Black & Decker v Piranha Abrasives*. Attached to his affidavit as Exhibits 9 and 10 are copies of the affidavits of Mr. Weston, Mr. Chong and Mr. Kunkel, without exhibits, as well as copies of the affidavits of Mr. Cannarozzo, Mr. Gabriel, Mr. Keltie, Mr. Stephan, Mr. Snooks and Mr. Aloia, without exhibits, all filed by the Opponent and the Applicant respectively in the Federal Court proceeding.

[21] The Opponent submits that any comments about the *Black & Decker v Piranha Abrasives* decision and the evidence submitted thereto set out in Mr. Cannarozzo's affidavit should be disregarded by the Registrar in the subject opposition proceeding. The Opponent notes in particular that the copies of the affidavits are hearsay.

[22] The Registrar has previously accepted copies of affidavits filed in other proceedings where the circumstances justify such a course of action [see *Beachcombers Restaurant Ltd v Vita-Park Citrus Products Co* (1976), 26 CPR (2d) 282 (TMOB) and *Barbara's Bakery Inc v Sparkles Photo Ltd*, 2011 TMOB 28, 91 CPR (4th) 457]. The Registrar has also pointed to factors that have been considered in doing so, including (a) whether or not the parties to the proceedings are the same; (b) whether or not the trademark applied for is the same in both proceedings; (c) the availability of the affiant for cross-examination; and (d) whether or not all, or most, of the issues in both proceedings are the same [see *Springwall Sleep Products Ltd v Ther-a-Pedic Associates, Inc* (1984), 79 CPR (2d) 227].

[23] While the copies of the affidavits of Mr. Weston and Mr. Cannarozzo attached to the Cannarozzo affidavit meet most of these factors, I do not find that the copies of their evidence filed in the Federal Court proceeding can be given much weight in this proceeding. First, neither party has confirmed the truth of the contents in the earlier affidavits nor adopted the statements set out therein. Further, the exhibits were not attached to either of these affidavits. Even though both of these affiants would arguably have been available for cross-examination because they also swore evidence in the current proceeding, they would not have been able to be cross-examined on the exhibits that had been attached to the affidavits that were submitted in the Federal Court proceeding. I am therefore only prepared to give the content of these affidavits limited weight.

[24] With respect to the copies of the remaining affidavits filed by each party in *Black & Decker v Piranha Abrasives*, in view that none of these affiants swore evidence in this proceeding they would not be available for cross-examination. The copies of these affidavits are therefore hearsay and serve only to show that such evidence was filed in the Court.

Objection to the Chung Affidavit

[25] Ms. Chung was an articling student with the Opponent who was asked by a lawyer at the Opponent's agent to attend local retailers in Ottawa to take photos of the saw blades and grinding wheels displayed in the stores. Ms. Chung attaches to her affidavit the photos she took and comments in detail on where grinding wheels are located next to circular saw blades in each of the stores, signage and areas within the store.

[26] Relying on the decision in *Cross-Canada Auto Body Supply (Windsor) Ltd v Hyundai Auto Canada* (2006), 2006 FCA 133 (CanLII) (*Cross-Canada*), the first objection made by the Applicant is that the evidence of Ms. Chung was introduced by an employee of the Opponent's agent. The general argument is that employees are not independent witnesses giving unbiased evidence when they give opinion evidence on contested issues [*Cross-Canada, supra*]. The Applicant submits that, as a result, little if any weight should be accorded to this affidavit.

[27] While Ms. Chung is employed by the Opponent's agent and her evidence is directed towards the parties' channels of trade, I do not find that the concerns raised by the Federal Court

of Appeal in *Cross-Canada*, apply here. While Ms. Chung's evidence may show the potential overlap between various tools on store shelves, Ms. Chung's affidavit does not contain conclusions or opinions on the contentious issues of this opposition. She simply attended various stores to take photos of the location of various goods. I do not see how the fact that this evidence was introduced by an employee of the Opponent's agent makes it less proper than if the Opponent or its agent had hired any outside investigator to do the same thing and swear an affidavit. Overall, the evidence does not appear to me to be controversial. I therefore consider this evidence to be admissible.

Objection to Reply Evidence

[28] As its evidence in reply, the Opponent submitted the affidavit of Shawn M.J. Duguay. The Opponent submits that Mr. Duguay's affidavit is in direct reply to Mr. Cannarozzo's comments on the deficiencies in Ms. Chung's affidavit on her marketplace research.

[29] As noted above, Ms. Chung attended at six stores in Ottawa and Nepean (Lowe's, Home Depot, Canadian Tire, Rona, Walmart and Home Hardware) and took photos in each store. She comments in detail on where grinding wheels are located next to circular saw blades in each of the stores and signage within each store.

[30] Mr. Cannarozzo commented on the deficiencies in Ms. Chung's research as follows:

- she did not visit any of the stores listed in paragraph 32 of the Weston affidavit (i.e. those stores which Mr. Weston claimed were distributors for both parties) (para.24);
- none of stores visited sold the Applicant's Design Mark and only one showed use of any of the Opponent's PIRANHA marks [Chung, Exhibit O] (para. 25); and
- none of the grinding wheels shown as exhibits to Ms. Chung's affidavit are for stone, concrete or tile type products – grinding wheels for metal or masonry (eg. drywall) are totally different in function and appearance from a grinding wheel for stone and concrete (para. 32).

[31] Mr. Duguay, a lawyer and former articling student with the Opponent, was asked to attend the same six local retailers that Ms. Chung attended in Ottawa and take photos of diamond abrasive core bits, as well as polishing and grinding tools for use with marble, granite, porcelain, tile and concrete on display. He was also asked to note where the products were located in relation to circular saw blades and jig saw blades intended for use on wood. Mr. Duguay attaches photographs, describes the different areas and products found in the six stores and makes the following observation:

“the grinding cups, wheels, coring tools, pads, and accessories appear to be of the same category of goods and identified for use in the same types of applications as those that were sold alongside the circular saw blades and jig saw blades” [Duguay, para. 46].

Mr. Duguay was also asked to visit the Applicant’s website and provide printouts from that website.

[32] Reply evidence must be confined to matters in reply [see section 54 of the *Trademarks Regulations* SOR/2018-227 and former section 43]. The Applicant submits that the reply affidavit of Mr. Duguay is not proper evidence in reply because it includes evidence which could have been included in the Opponent’s evidence in chief. The Applicant also objects to this evidence because it was introduced by an employee of the Opponent’s firm and provides opinion evidence on a contested issue.

[33] In *Halford v Seed Hawk Inc* (2003), 2003 FCT 141 (CanLII), 24 CPR (4th) 220 (FCTD) [*Seed Hawk*] at paras 14-15, Justice Pelletier provides the following guidelines as to what constitutes proper reply evidence:

- (a) Evidence that is simply confirmatory of evidence already before the court is not to be allowed.
- (b) Evidence which is directed to a matter raised for the first time in cross-examination and which ought to have been part of the plaintiff’s case in chief is not to be allowed. Any other new matter relevant to a matter in issue, and not simply for the purpose of contradicting a defence witness, may be allowed.
- (c) Evidence which is simply a rebuttal of evidence led as part of the defence case and which could have been led in chief is not to be admitted.

(d) Evidence that is excluded because it should have been led as part of the plaintiffs' case in chief will be examined to determine if it should be admitted.

[34] I agree with the Applicant that Mr. Duguay's evidence is improper reply evidence for two reasons – it appears to be simply a rebuttal of evidence led as part of the defence case and it could have been led as the Opponent's evidence in chief. In this regard, in view that the Opponent has known what the applicant for goods and services were since the beginning of this proceeding, it is not clear why the Opponent's affiant Ms. Chung only took photos of saw blades and grinding wheels at six retail stores in Ottawa while Mr. Duguay was asked to attend the same six stores but take photos of diamond abrasive core bits, as well as polishing and grinding tools for use with marble, granite, porcelain, tile and concrete on display. The Opponent itself noted that this evidence was submitted to address the deficiencies in the Opponent's evidence in chief that were raised by the Applicant.

[35] With respect to the printouts from the Applicant's website, the Opponent's agent did not explain how providing printouts from the Applicant's website were in reply to any of the evidence put forward by the Applicant or why this evidence could not have been submitted as its evidence in chief when Mr. Weston had already given some information about the Applicant's website in his affidavit.

[36] I therefore consider the evidence of Mr. Duguay, for the most part, to be inadmissible reply evidence. The only exception would be Exhibit KK to the Duguay affidavit because it shows use of the word PIRANHA by itself which counters Mr. Cannarozzo's specific allegation in paragraph 7 of this affidavit that the Applicant always sells its products in association with the words PIRANHA ABRASIVES and never with the word PIRANHA alone.

Objection to the Hewitt Affidavit

[37] Ms. Hewitt is a law clerk with the agents for the Applicant. Attached to her affidavit as exhibits are a copy of the examiner's report dated September 16, 2014, for application No. 1,662,383, for the trademark PIRANHA ABRASIVES and Design as well as a copy of the response to the Examiner's report as filed with the Trademarks Office on March 24, 2015. In the Examiner's report, the Design Mark was considered to be confusing with the Opponent's PIRANHA trademark registrations.

[38] The Applicant submits that it overcame the Examiner's objections to the Design Mark by first noting that the Opponent's registrations for TMA428,996 and TMA408,354 had been expunged. The Applicant also relied on the decision of Justice Manson in *Black and Decker v Piranha Abrasives* where it was found that although the Design Mark infringed the remaining active registrations of the Opponent in association with abrasive circular saw blades, it was not found that there was any such infringement by the Applicant's use of the Design mark in association with its other applied for goods.

[39] The Opponent, on the other hand, submits that the approval of the applied for Design Mark by the Examiner has little bearing on how the Registrar is to decide the merits of the Opponent's opposition. I agree. It has previously been held that a decision by an Examiner of the Canadian Intellectual Property Office has no precedential value for the Board because the onus and evidence before an Examiner differs from that before the Board [see *Thomas J Lipton Inc v Boyd Coffee Co* (1991), 40 CPR (3d) 272 (TMOB) at 277 and *Procter & Gamble Inc v Morlee Corp* (1993), 48 CPR (3d) 377 (TMOB) at 386]. As a result I do not find the affidavit of Ms. Hewitt to be of much relevance to the present proceeding.

GROUND OF OPPOSITION SUMMARILY DISMISSED

Section 30(i) Ground of Opposition

[40] The Opponent pleads that the Applicant could not have been satisfied that it was entitled to use the applied for Design Mark in Canada in association with the applied for goods and services because at the filing date of the application the Design Mark was confusing with the Opponent's trademarks of which the Applicant must have been aware in view of the prior registrations and use of the same by the Opponent.

[41] Where an applicant has provided the statement required by section 30(i) in its application, a ground of opposition based upon this section should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The Applicant has provided the necessary statement and the Opponent has not filed any evidence to demonstrate that this is an exceptional case. Furthermore, even if the Opponent had shown that the Applicant knew of its trademarks at

the filing date of its applications, I note that it has been held that mere knowledge of the existence of an opponent's trademark does not in and of itself support an allegation that an applicant could not have been satisfied of its entitlement to use a mark at the time that it filed its application [*Woot, Inc v WootRestaruants Inc Les Restaurants Woot Inc* 2012 TMOB 197]. Accordingly, this ground of opposition is dismissed.

REMAINING GROUNDS OF OPPOSITION

Section 30(b) Ground of Opposition

[42] The Opponent pleads that the application does not comply with section 30(b) of the Act because the Applicant has not used the Design Mark in Canada in association with the applied for goods and services since the claimed dates of first use.

[43] The initial burden on an opponent is light respecting the issue of non-conformance with section 30(b) of the Act, because the facts regarding an applicant's first use are particularly within the knowledge of an applicant [*Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB)]. This burden can be met by reference not only to the opponent's evidence but also to the applicant's evidence [*Labatt Brewing Company Limited v Molson Breweries, a Partnership* (1996), 68 CPR (3d) 216 (FCTD)]. However, while an opponent is entitled to rely on the applicant's evidence to meet the opponent's evidential burden, the applicant is under no obligation to evidence its claimed dates of first use if those dates are not first put into issue by the opponent meeting its evidential burden [*Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd* 2014 FC 323 at paras 30-38].

[44] The Opponent submits that the exhibits attached to the Cannarozzo affidavit do not support Mr. Cannarozzo's bold statements regarding the Applicant's claimed dates of first use for the following reasons:

- the exhibits merely show pages where the Applicant's Design Mark appears at the top of the page displaying the product;
- there is no indication that such logo appears on the products themselves or on packaging at the time such products are sold;

- the webpages are dated for January 4, 2017, which is after the claimed date of first use; and
- Mr. Cannarozzo's affidavit is completely silent on whether the Design Mark has been used or displayed in the performance of the applied for services.

[45] In summary, the Opponent argues that the Applicant did not provide sufficient details concerning its use. As noted above, however, the Applicant is not obliged to do so unless the Opponent's initial burden has been satisfied. In the present case there is no evidence before me that is inconsistent with or contradicts the dates of first use claimed in the application. For example, the Opponent has submitted that Mr. Cannarozzo's evidence is inconsistent with the Applicant's claimed date of first use since the Applicant's webpages are dated after the claimed date of first use. However, this is not a case where the Applicant's affiant attests to a date of first use that is later than that set out in the application. Rather, Mr. Cannarozzo merely provides some evidence of how the Design Mark appears with its goods on its website [*Viewer's Choice Canada Inc v Volcano Entertainment II, LLC*, 2008 CanLII 88201 (TMOB)]. Further, as noted in *Canada Safeway Limited v Delca Enterprises Ltd*, 2011 TMOB 51, it was open to the Opponent to cross-examine Mr. Cannarozzo on his affidavit if it wished to explore the details of the Applicant's use further, but it chose not to.

[46] This ground of opposition is therefore not successful.

Section 12(1)(d) Ground of Opposition

[47] The Opponent pleads that the Design Mark is not registrable because it is confusing with at least one of the Opponent's PIRANHA trademarks registered for circular saw blades or saw blades for power saws.

[48] I have exercised my discretion to check the Register to confirm that the Opponent's registrations are extant. The Opponent has therefore met its initial evidential burden with respect to this ground of opposition. As a result, the Applicant bears the legal burden of demonstrating on a balance of probabilities that there is no likelihood of confusion between the Design Mark and any of the Opponent's registered trademarks.

Meaning of Confusion between Trademarks

[49] Trademarks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the Act:

“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 . . . 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”.

[50] Thus, section 6(2) does not concern mistaking one mark for the other, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the Applicant’s goods or services, sold under the Design Mark, would believe that those goods or services were produced or authorized or licensed by the Opponent who sells its goods under its PIRANHA trademarks.

Test for Confusion

[51] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would likely lead to the inference that the goods and services associated with those trademarks are manufactured, sold or leased by the same person, whether or not the goods and services are of the same general class. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trademarks and the extent to which they have become known; the length of time the trademarks have been in use; the nature of the goods and services or business; the nature of the trade; and the degree of resemblance between the trademarks in appearance, or sound or in the ideas suggested by them.

[52] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Mattel USA Inc v 3894207 Canada Inc*, 2006 SCC 22, at para. 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, (2011), 92 CPR (4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

[53] In *Masterpiece*, the Supreme Court of Canada discussed the importance of the section 6(5)(e) factor in conducting an analysis of the likelihood of confusion between the parties' marks in accordance with section 6 of the Act (see para 49):

“...the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis ... if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar... As a result, it has been suggested that a consideration of resemblance is where most confusion analyses should start...” [Emphasis is mine]

[54] Under the circumstances of the present case, I consider it appropriate to analyse the degree of resemblance between the parties' marks first.

Degree of Resemblance

[55] As indicated by the Supreme Court of Canada in *Masterpiece, supra*, in most instances, the degree of resemblance between the trademarks at issue is the most important factor.

[56] It is also well established that when considering the degree of resemblance between trademarks, the trademarks must be considered in their totality and it is not correct to lay them side by side and carefully compare and observe the similarities or differences among their elements. It is also not correct to dissect the marks.

[57] In *Black & Decker v Piranha Abrasives*, Justice Manson said the following with respect to the degree of resemblance between the parties' marks at paragraphs 97-98:

“[97] In *Masterpiece*, at para 84, the Supreme Court acknowledged that the dominant or most striking component of a mark affects the overall impression on an average consumer, and this fact should be taken into consideration when assessing the trademark as a whole:

However, considering a trademark as a whole does not mean that a dominant component in a mark which would affect the overall impression of an average consumer should be ignored: see *esure Insurance Ltd. v. Direct Line Insurance plc*, 2008 EWCA Civ 842, [2008] R.P.C. 34, at para. 45, per Arden L.J. This is because, while the consumer looks at the mark as a whole, some aspect of the mark may be particularly striking. That will be because that aspect is the most distinctive part of the whole trademark.

[98] When one considers the use of PIRANHA and the piranha fish design by the Respondent and the same PIRANHA word mark and quite similar fish design covered by the Applicants' PIRANHA trademark registrations, I have little trouble finding a significant degree of resemblance.

[58] I adopt Justice Manson's findings with respect to the degree of resemblance as my own.

[59] Therefore, having found that the parties' marks share a significant degree of resemblance, I must now assess whether any of the other factors are sufficient to shift the balance of probabilities in the Applicant's favour.

Inherent Distinctiveness of the Trademarks

[60] I find the Opponent's marks and the Applicant's Design Mark to be inherently strong. While the Applicant's Design Mark is slightly more suggestive than the Opponent's marks because the component "abrasives" suggests the purpose of the Applicant's goods (i.e. that they grind or polish), the Applicant's fanciful fish design adds distinctiveness to the Applicant's Design Mark.

[61] Both parties also submitted evidence regarding the extent known of their respective marks, which is often referred to as a mark's acquired distinctiveness. The Opponent submitted the evidence of Mr. Weston, Director Product & Brand Marketing with Stanley Black & Decker Canada Corporation (SBD Canada). The most pertinent parts of Mr. Weston's evidence is summarized below:

- SBD Canada is a subsidiary of Stanley Black & Decker, Inc. (SBD) and the Opponent is a subsidiary of SBD [para.3];
- SBD is a global provider of hand tools, power tools and related accessories and more [para.3];
- SBD Canada is licensed by the Opponent to use the PIRANHA trademarks in Canada [para.8];

- Under the license, the Opponent controls the character and quality of the saw blades for power saws and circular saw blades sold in Canada in association with the PIRANHA trademarks [para.8];
- the Opponent first used the trademark PIRANHA (TMA 330,222) in Canada in association with “saw blades for power saws” and “circular saw blades” in 1987 and use of the mark has been continuous since that date [para.5];
- the normal course of trade for PIRANHA branded circular saw blades and saw blades for power saws is the sale to independent distributors located across Canada and online, such as Home Hardware, Walmart, www.amazon.ca, BMR, Centre de Renovation St-Patrick, Reno-Direct Inc., TIM-BR MART, and Midland Tools among others [para.31];
- copies of representative invoices evidencing the sale by SBD Canada and its predecessor Black and Decker Canada Inc. of PIRANHA-branded saw blades for power saws and circular saw blades to authorized independent distributors located in Canada is attached as Exhibit E [para.19];
- combined sales for both PIRANHA branded circular saw blades and saw blades for power saws in the last six years in Canada were as follows [para.19]:

YEAR	SALES (CDN)
2011	\$55,340
2012	\$18,830
2013	\$53,820
2014	\$34,725
2015	\$30,855
2016 (Jan. – Aug.)	\$29,520

- all standard BLACK & DECKER branded saws come equipped with a PIRANHA branded general purpose saw blade [para.20];
- the BLACK & DECKER saws are sold at hardware and home building supply retailers across the country including Home Hardware, Rona, Canadian Tire, Lowes, Walmart, Winners, www.amazon.ca, Revy Home & Garden, Centre de Reno, and Patrick Morin Inc. among others. The saws are also sold at retailers that sell exclusively to the professional construction and trade sectors, such as Concord Hardware and William Knell & Co. [para. 20]; and
- Canadian sales of BLACK & DECKER circular saws equipped with a PIRANHA branded general purpose saw blade between 2012 and August 2016 ranged between \$311,080 and \$1,405,395 [para 21].

[62] The Applicant submitted the affidavit of Mr. Pino Cannarozzo, Director of the Applicant. The most pertinent parts of the Applicant's evidence set out in the affidavit of Mr. Cannarozzo can be summarized as follows:

- the Applicant sells high quality diamond abrasive core bits, polishing and grinding tools for use with marble, granite, glass, porcelain, tile and concrete to companies which sell granite, marble, porcelain, tile, glass and concrete to industry professionals [paras 3 and 19];
- the Applicant has been selling grinding wheels (also known as grinding cups) for use for grinding hard materials, mostly concrete and granite, for stripping concrete and for concrete floor preparation in Canada in association with both of its marks since 2010 [para. 16; Exh. 4];
- the Applicant has been selling polishing pads in Canada for polishing marble, and/or granite and/or engineered stone in association with both of its marks since 2010 [para. 17; Exh. 5];
- the Applicant has been selling core bits in Canada in association with both of its marks since 2010 [para. 18; Exhibit 6];

- sales of the Applicant's products, including its abrasive blades, ranged between \$127,371 and \$262,944 for the years 2011 until June of 2014 [para 34]; and
- the 2016 sales of the Applicant's products in association with both of its marks has increased compared to 2014 even though diamond abrasive blades were no longer sold in association with Piranha Abrasive trademarks [para 20].

[63] I note that as of the date of Mr. Weston's affidavit, the Opponent had not shown that much use or reputation of any of its marks independent of its house mark Black & Decker. However, as noted by Justice Manson at para. 81 in *Black & Decker v Piranha Abrasives*, this factor does not diminish the distinctiveness of the Opponent's marks:

[81] While a factor to be considered, I do not accept that simply because a house brand or trademark, such as BLACK & DECKER, is used in association with a product brand or trademark, such as PIRANHA or PIRANHA and Design, and may be somewhat more prominent, it results in a subjugation or erosion of the distinctiveness of the product trademark. It is certainly not the case here.

Length of Time in Use

[64] Although the Opponent only provides sales for its goods from 2011 onwards, the Opponent claims to have started using its PIRANHA word mark (TMA 330,222) in Canada in 1987. The Applicant, on the other hand, only started using its Design Mark in 2010. This factor therefore favours the Opponent, but to a limited extent given the lack of evidence of use prior to 2011.

Nature of the Goods and Channels of Trade

[65] When considering the nature of the goods, I must compare the Applicant's statement of goods with the statement of goods in the Opponent's registrations [*Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)].

[66] The relevant statements of goods must be read with a view to determining the probable type of business or trade intended by the parties, and evidence of the parties' actual trades 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); *American Optical Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[67] The Opponent's marks are registered for saw blades for power saws and circular saw blades.

[68] While I acknowledge that the Opponent's registrations permit the Opponent to use its marks in association with circular saw blades and saw blades for power saws intended for use on any materials, including marble, granite, glass, porcelain, tile or concrete, Mr. Weston's evidence shows that the Opponent has limited the purpose of its circular saw blades and saw blades for power saws for close to three decades to cutting wood, plywood, plastics, metals, tile, glass and masonry. For example, the evidence shows that the Opponent's blades, in addition to bearing the Black & Decker logo with black and orange colours also display a picture of wood, indicating what material they are meant to be used on [Weston, Exhibit B].

[69] The Applicant's goods and services include various diamond abrasive tools, machines and services for use with marble, granite, glass, porcelain, tile and concrete.

[70] While the parties' goods and services may be related in that they are power tools or power tool accessories, I find that they are primarily different based on the following evidence of Mr. Cannarozzo:

- the Applicant's products are highly specialized for use with concrete, granite, marble and stone [para. 3];
- a grinding wheel for metal or masonry is different in function and appearance from a grinding wheel for stone or concrete [para. 32];
- the Applicant sells its goods to companies which sell granite, marble, porcelain, tile, glass and concrete to industry professionals [para. 19];

- the Applicant's products were created for the stone, concrete and tile professionals who use them so they can rely on the products, their jobs will be easier and the end results will be better [para. 3];
- the Applicant provides a professional grade product using the highest quality materials expected by industry professionals, and the Applicant's products are priced accordingly [para. 21];
- the Applicant's products are made with diamonds which are very hard abrasives and enable grinding, polishing or coring stone, concrete and tile [para. 21]; and
- the Applicant's goods cannot be used for cutting wood, plastic or masonry [para. 21].

[71] I accept Mr. Cannarozzo's evidence on this point as it is consistent with his other evidence and has not been challenged by way of cross-examination. I therefore find that this factor favours the Applicant.

[72] With respect to the parties' channels of trade, the Opponent's circular saw blades and saw blades for power saws are sold in the power tool department of national retailers such as Home Hardware, Walmart, BMR, among others, and can also be ordered online [Weston, para. 31] and are intended for both DIY contractors and professionals [Weston, para. 34]. The evidence shows that the Applicant's products are primarily sold in stores specializing in stone, concrete and tile products, but the Applicant's distributors do include some more general and home building supply stores [Weston, para. 33; Exhibit E].

[73] Therefore, although I acknowledge that the parties' channels of trade could overlap, I find that the parties' channels of trade are primarily different in that they target different consumers (industry professionals v. do it yourselfers) and the purposes for the parties' goods are primarily different (cutting wood, plywood, plastics, pipes, metals, tile, glass, masonry v. grinding, polishing or coring stone, concrete or tile). I therefore find that this factor also favours the Applicant.

Additional surrounding circumstance – Opponent’s Plans for Expansion

[74] Mr. Weston also states in his affidavit that the Opponent has identified the PIRANHA product line for expansion to build on the good will and reputation associated with the PIRANHA trademarks. In this regard, he asserts the following:

- In 2012, SBD purchased the Canadian abrasive manufacturer Abmast, Inc. The Abmast product line of abrasives includes diamond polishing, grinding and coring tools, such as grinding wheels and cups, diamond core bits, polishing pads, and diamond abrasive cutting blades [para. 24];
- SBD is in the process of merging the Abmast and Piranha brands and that the intention is to co-market goods from the Abmast product line with the PIRANHA trademarks [para. 27]; and
- The expansion of PIRANHA trademarks beyond circular saw blades and saw blades for power saws is consistent with SBD’s use of PIRANHA in other jurisdictions such as the United Kingdom [para. 27]; and
- Many of the power tool accessories have complementary purposes and will be used to complete a single job [para. 28].

[75] Again, while I acknowledge that the Opponent’s registrations permit the Opponent to use its marks in association with circular saw blades and saw blades for power saws intended for use on any materials, including marble, granite, glass, porcelain, tile or concrete, as noted above the evidence shows that that the Opponent has limited the purpose of its circular saw blades and saw blades for power saws for close to three decades to cutting wood, plywood, plastics, pipes, metals, tile, glass and masonry. Further, there is no evidence that the ordinary consumer would consider this to be a natural expansion of the Opponent’s brand. Finally, in the absence of evidence of promotion or use of any of the Opponent’s marks in association with these additional products, this proposed use continues to be, at this time, speculative [see *Black & Decker v Piranhna Abrasives*, para. 9]. As a result, I do not consider this to be a further surrounding circumstance that assists the Opponent.

Additional Surrounding Circumstance – No Evidence of Actual Confusion

[76] The Applicant submits that the fact that its Design Mark and the Opponent's marks have coexisted in the Canadian marketplace since as early as April 2011 without any instance of known confusion supports the position that confusion is unlikely. Indeed, Mr. Cannarozzo states the following at paragraph 4 of his affidavit: "My customers, friends and colleagues have never informed me that they or any of their customers or employees have been confused between my Piranha Abrasives products and any products of the Opponent or their related companies or licensees whatsoever."

[77] While the Opponent is not under an obligation to file evidence of actual confusion, the failure to file such evidence in the face of an extensive period of coexistence may result in a negative inference being drawn [see *Mattel, supra*]. However, I am not satisfied that the Opponent's failure to file evidence of actual confusion favours the Applicant in this case given that the sales of both parties' products have been relatively limited and there is no evidence that the parties' goods or services have to date been offered for sale in the same channels of trade.

Conclusion

[78] As discussed above, in *Masterpiece* the Supreme Court of Canada highlighted the importance of the section 6(5)(e) factor in the analysis of the likelihood of confusion. In the present case, I have adopted Justice Manson's finding that the marks share a significant degree of resemblance. However, although the Opponent claims to have used its marks for a longer period of time, the evidence only shows limited and at times declining sales of its blades between 2011 and 2016. While the parties' goods and services are related, the evidence shows that since they are designed for different purposes, the current channels of trade and the parties' target audiences are primarily different. I consider the combination of these additional factors sufficient to tip the balance of probabilities in the Applicant's favour. I am therefore satisfied that the Applicant has discharged its burden of showing that there is no reasonable likelihood of confusion between the parties' marks. Having regard to the foregoing, the Opponent's section 12(1)(d) ground is not successful.

REMAINING GROUNDS OF OPPOSITION

[79] The remaining grounds of opposition also turn on a determination of the issue of the likelihood of confusion between the Design Mark and the Opponent's marks. As noted above, the material dates for assessing the likelihood of confusion in respect of the non-entitlement and non-distinctiveness grounds are, respectively, the filing date of the application, the Applicant's dates of first use and the date of opposition. In my view, the differences in material dates do not have any significant impact on the determination of the issue of confusion between the trademarks of the Opponent and the Design Mark. While the Opponent has met its initial burden, the Applicant has also met its legal onus because there is no likelihood of confusion for the reasons sets out in the discussion of the section 12(1)(d) ground.

APPLICATION NO. 1,720,124 FOR PIRANHA ABRASIVES

[80] Application No. 1,720,124 for the trademark PIRANHA ABRASIVES (the Mark) was filed on March 19, 2015, for the following goods and services, based on both use and proposed use as of the same dates as those for Application No. 1,662,383:

Goods

- (1) Diamond abrasive polishing, grinding, coring and milling tools for use with marble, granite, glass, porcelain, tile and concrete.
- (2) Cutting machines for use with marble, granite, glass, porcelain, tile and concrete; electric polishing machines for polishing marble, stone and granite; quarry stone milling machines for use with granite and marble; sharpening machines for sharpening tools; sharpening wheels of sharpening machines for sharpening tools.

Services

- (1) Repair, manufacture and customization of diamond abrasive polishing, grinding, coring and milling tools.

(2) Soldering and welding of diamond abrasive segments on polishing, grinding, coring and milling tools for use with marble, granite, glass, porcelain, tile and concrete.

[81] The only difference between the Applicant's applied for goods in this case and the Opponent's registered goods is that instead of "diamond abrasive core bits", the Applicant has applied for "coring and milling tools". Further, instead of the servicing of "core bits", the Applicant has applied for the soldering and welding "of diamond abrasive segments" on various tools, including "coring and milling tools". Neither party mentioned the differences between how the parties' goods and services are described in each application to be significant in any way.

[82] The Mark was advertised for opposition purposes on December 30, 2015 and was opposed by the Opponent on February 26, 2016.

[83] Other than the material date for the section 16(3) ground being March 19, 2015, as opposed to February 3, 2014, the pleadings, issues and evidence in the two oppositions are essentially the same. The only difference of note is with respect to the slight difference in the description of the applied for goods and services and the inherent distinctiveness of the Applicant's PIRANHA ABRASIVES mark. Although inherently strong, the Applicant's PIRANHA ABRASIVES mark is slightly weaker than the Opponent's marks because the word "abrasives" is suggestive of the Applicant's goods. I do not, however, find that this one factor is sufficient to tip the balance of probabilities in the Opponent's favour.

[84] Therefore, applying the same reasoning as was applied in the opposition to the Applicant's Design Mark, it follows that at all material times the Applicant has met the legal onus on it to show that on a balance of probabilities there is no reasonable likelihood of confusion between the applied for mark PIRANHA ABRASIVES and any of the Opponent's marks.

DISPOSITION

[85] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the oppositions in respect of application Nos. 1,662,383 and 1,720,124.

Cindy R. Folz
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE Monday, December 16, 2019

APPEARANCES

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