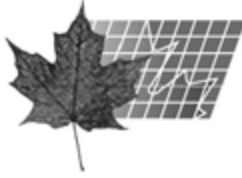


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LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2020 TMOB 31

Date of Decision: 2020-04-09

IN THE MATTER OF AN OPPOSITION

**Blush Fashion Group Inc. and
Blush Lingerie Inc.**

Opponents

And

Vee International, Inc.

Applicant

**1,675,037 for Blush Novelties and
Design**

Application

INTRODUCTION

[1] Blush Fashion Group Inc. (Blush Fashion) and Blush Lingerie Inc. (Blush Lingerie), collectively “the Opponents”, oppose registration of the trademark Blush Novelties and Design (the Mark), reproduced below, that is the subject of application No. 1,675,037 filed by Vee International, Inc. (the Applicant).



[2] The application contains the following statements: “The right to the exclusive use of the word NOVELTIES is disclaimed apart from the trademark” and “Colour is claimed as a feature of the trade-mark. The colors black, purple, white, and blends thereof are claimed as a feature of the mark. The mark consists of the design starting from black at its outer edges, purple interior thereto, and, towards the design center, black, white, blends thereof and of purple, with the design center being purple; and the wording of 'blush' is purplish white and of ‘NOVELTIES’ is grayish purple.”

[3] Filed on April 30, 2014, the application is based on use and registration of the Mark in the United States of America in association with “sex toys, namely, artificial penises, penis enlargers, vibrators, vibrating rubber rings, masturbators, artificial vaginas”. The application was advertised in the *Trademarks Journal* of July 15, 2015.

[4] The Opponents allege that (i) the application does not comply with certain requirements of section 30 of the *Trademarks Act*, RSC 1985, c T-13 (the Act); (ii) the Mark is not registrable under section 12(1)(d) of the Act; (iii) the Applicant is not the person entitled to the registration of the Mark under section 16 of the Act, and (iv) the Mark is not distinctive under section 2 of the Act.

[5] At the outset of my decision, I note that 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 (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 prior to that date).

[6] For the reasons that follow, I refuse the application.

THE RECORD

[7] The Opponents filed their statement of opposition on September 15, 2015. The Applicant filed and served its counter statement on November 30, 2015 denying all of the grounds of opposition.

[8] In support of their opposition, the Opponents filed the affidavit of Justin N. Ajmo, President of the Opponents.

[9] In support of its application, the Applicant filed the affidavit of Jing Meng, Chief Financial Officer of the Applicant.

[10] The Opponents then filed the affidavit of Andrew Kaikai, a lawyer employed by the Opponents' agent of record in this proceeding, as their reply evidence.

[11] None of the affiants were cross-examined.

[12] Both parties filed written arguments. A hearing was not held.

EACH PARTY' RESPECTIVE BURDEN OR ONUS

[13] The Applicant bears the legal onus of establishing, on a balance of probabilities that the application complies with the requirements of the Act. This means that if a determinate conclusion cannot be reached in favour of the Applicant after a consideration of all of the evidence, then the issue must be decided against the Applicant. However, there is an initial evidential burden on the Opponents 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].

ANALYSIS

[14] I will now consider each of the grounds of opposition.

Section 30(d) Ground Dismissed

[15] In its statement of opposition, the Opponents allege that the application does not comply with the requirements of section 30(d) of the Act as the Applicant had not used the Mark in the United States, either directly or through a licensee, in association with the applied-for goods.

[16] The material date for assessing a section 30 ground is the filing date of the application, namely April 30, 2014 [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475].

[17] To the extent that the Applicant has easier access to the facts, the burden of proof on the Opponents in regard to the ground of opposition based on the failure to respect section 30(d) is less onerous [see *Tune Masters and 105272 Canada Inc v Grands Moulins de Paris, Société Anonyme* (1990), 31 CPR (3d) 79 (TMOB)]. An opponent can discharge its initial burden of proof in regard to section 30(d) by relying on the applicant's evidence [see *Labatt Brewing Co v Molson Breweries, a Partnership* (1996), 68 CPR (3d) 216 (FCTD); *Molson Canada v Anheuser-Busch Inc* (2003), 2003 FC 1287; *York Barbell Holdings Ltd v ICON Health and Fitness, Inc* (2001), 13 CPR (4th) 156 (TMOB); *Ivy Lea Shirt Co v 1227624 Ontario Ltd* (1999), 2 CPR (4th) 562 at 565-6 (TMOB), *aff'd* 2001 FCT 252].

[18] In the present case, the Opponents did not refer to any evidence nor present any arguments in support of the allegations set out in this ground of opposition.

[19] Consequently, I dismiss the section 30(d) ground of opposition for the Opponents' failure to meet its initial evidential burden.

Section 30(i) Ground Dismissed

[20] In its statement of opposition, the Opponents allege that the application does not comply with the requirements of section 30(i) of the Act as the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the applied-for goods in view of the prior use, advertisement and registration of the Opponents' registered trademarks BLUSH (TMA391,268), WHAT MAKES YOU BLUSH (TMA643,524) and BE BY BLUSH (TMA829,712) and trade names "Blush Fashion Group" and "Blush Lingerie", used in association with the Opponents' registered goods and the online retail services featuring the registered goods. The particulars of the cited registrations are reproduced in Schedule "A" to the decision.

[21] The material date for assessing a section 30 ground is the filing date of the application, namely April 30, 2014 [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475].

[22] Section 30(i) of the Act requires an applicant to declare in the application that it is satisfied that it is entitled to use the trademark in Canada. Where an applicant has provided the required statement, the Registrar has previously found that an applicant has failed to substantively comply with section 30(i) where, for example:

- there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155] which has been found where a licensee or distributor has attempted to register their principal's trademark or a confusingly similar variant [see *Suzhou Parsun Power Machine Co Limited v Western Import Manufacturing Distribution Group Limited*, 2016 TMOB 26; *Flame Guard Water Heaters, Inc v Usines Giant Inc*, 2008 CanLII 88292; see also *McCabe v Yamamoto & Co (America) Inc* (1989), 23 CPR (3d) 498 at 503 (FCTD)];
- there is evidence of a prima facie case of non-compliance with a federal statute such as the *Copyright Act* RSC 1985, c C-42 or *Food and Drugs Act*, RSC 1985, c F-27 [see *Interactiv Design Pty Ltd v Grafton-Fraser Inc* (1998), 87 CPR (3d) 537 (TMOB) at 542-543]; and
- there is evidence that a contractual relationship such as licensor-licensee existed and that the registration of a trademark would constitute a breach of the relationship [see *AFD China Intellectual Property Law Office v AFD China Intellectual Property Law (USA) Office, Inc*, 2017 TMOB 30].

[23] In the present case, the Opponents did not refer to any evidence nor present any arguments in support of the allegations set out in this ground of opposition. Moreover, the fact that the Opponents have alleged prior use, advertisement and/or registration of their trademarks and trade names in association with its registered goods and related services thereof is not by itself sufficient to put into question the statement that the Applicant has made in accordance with section 30(i) of the Act [see *Woot, Inc v WootRestaurants Inc*, 2012 TMOB 197].

[24] Consequently, I dismiss the section 30(i) ground of opposition for the Opponents' failure to meet its initial evidential burden.

Section 12(1)(d) Ground Accepted

[25] In its statement of opposition, the Opponents allege that the Mark is not registrable pursuant to section 12(1)(d) of the Act on the ground that it is confusing with the Opponents' registered trademarks BLUSH (TMA391,268), WHAT MAKES YOU BLUSH (TMA643,524) and BE BY BLUSH (TMA829,712).

[26] The material date for considering this issue is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].

[27] An opponent's initial onus is met with respect to a section 12(1)(d) ground of opposition if the registration relied upon is in good standing. The Registrar has the discretion to check the register in order to confirm the existence of the registration relied upon by an opponent [see *Quaker Oats of Canada*]. Having exercised the Registrar's discretion, I confirm that all three registrations are in good standing.

[28] Since the Opponents have satisfied their initial evidential burden for this ground of opposition, the issue becomes whether the Applicant has met its legal burden to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and any of the Opponents' registered trademarks.

[29] For the reasons that follow, I accept this ground of opposition.

[30] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act provides that 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.

[31] 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 trademarks 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 trademarks, including in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight [see *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22; *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al*, 2006 SCC 23; and *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27].

[32] In my opinion, comparing the Mark and the registered trademark BLUSH of registration No. TMA391,268 will effectively decide the section 12(1)(d) ground of opposition. In other words, if confusion is not likely between the Mark and BLUSH, then it would not be likely between the Mark and any of the other registered trademarks alleged by the Opponents.

[33] I will now turn to the assessment of the section 6(5) factors.

Section 6(5)(a) - the inherent distinctiveness of the trademarks and the extent to which they have become known

[34] The word “blush” is an ordinary English dictionary word, so is the word “novelties”.

[35] In terms of their trademark BLUSH, the Opponents submit that it is neither descriptive nor suggestive of the registered goods which consist of intimate apparel. In contrast, the Applicant submits that BLUSH is “very suggestive of the character and quality of the [Opponents’] registered goods – namely that a user wearing or receiving the lingerie may ‘blush’”.

[36] As for the Mark, the Opponents submit that it is weak as “it is suggestive, if not descriptive” of sex toys in that it is likely to create a perception that the goods are “new”, “novel”, “risqué”, or that they are “novelty items”, in view of the term “novelties”. In contrast, the Applicant submits that the Mark has a very prominent oval design and a very specific colour

claim, “including a prominent purple oval design element”, such that it “significantly enhances the inherent distinctiveness” of the Mark.

[37] When the Mark is assessed in its entirety, I am of the view that the word BLUSH, given its relatively large font size and its center position in the Mark, combined with the particularly unique colour scheme of the oval design, represent the dominant features of the Mark.

[38] I agree in part with the Applicant that the term “blush” is somewhat suggestive of the Opponent’s intimate apparel, but also of the Applicant’s sex toys, in that the goods might make someone “blush”. Moreover, I agree with the Opponents that the term “novelties” is at least suggestive of the Applicant’s goods in that they could be seen as novelty items. Finally, I agree with the Applicant that the overall colour scheme of the Mark contributes to its inherent distinctiveness.

[39] In the end, while both parties’ trademarks have some degree of inherent distinctiveness, I assess the Mark to be have a relatively higher degree of inherent distinctiveness than that of the trademark BLUSH in view of its design elements.

[40] The strength of a trademark may be increased by means of it becoming known in Canada through promotion or use. I will review both parties’ evidence in this regard, beginning with that of the Opponents.

Extent to which the trademark BLUSH has become known

[41] In his affidavit, Mr. Ajmo states that he has been the President of Blush Fashion and of Blush Lingerie since 2002. Mr. Ajmo further states that the Opponents and their predecessor-in-title, 3092-7271 Quebec Inc., have been in the intimate apparel business, ranging from dramatic corsets to practical undergarments, since at least as early as 1988.

[42] Mr. Ajmo explains the ownership of the trademark BLUSH as follows. Blush Lingerie was, at one point, the registered owner of the trademark BLUSH, as seen in the particulars of the registration, attached as Exhibit “A” to his affidavit. At the time of the affidavit, the Opponents carry on business in Canada through Blush Lingerie, which is a licensee of Blush Fashion. The latter is also the current owner of the registration. Mr. Ajmo states that Blush Lingerie has at all

material times been either an owner or licensee of the trademark BLUSH. Mr. Ajmo confirms that Blush Fashion maintains control of the character and quality of the goods described as “lingerie, panties, slips, camisoles, bodysuits, robes, swim suits, teddies, underpants, undershirts, leggings, crop tops, sleepwear, nightgowns; bras” (“the registered goods”) provided by Blush Lingerie in association with the trademark BLUSH.

[43] In terms of use, Mr. Ajmo states that the trademark BLUSH has been used in Canada by the Opponents, and the predecessor-in-title 3092-7271 Quebec Inc., since at least October 1991 in association with the registered goods, including essential wear, bridal wear and sexy intimates. Attached as Exhibit “E” are photos of sample registered goods, hangtags, labels and packaging bearing the trademark BLUSH, as they were used in 2007, 2011, 2013 and up to the time of the affidavit. Mr. Ajmo adds that these photos are representative of how the registered goods have been and continue to be identified with the trademark BLUSH. I note that the trademark appears prominently on display signs, labels, hangtags, and boxes for bras, sleepwear and underwear in the photos.

[44] In terms of the channels of trade, Mr. Ajmo explains that the registered goods have been sold and continue to be sold at numerous large and small retail outlets, boutiques, and specialty retailers of intimate apparel and products across all of Canada and the world. Specifically, Mr. Ajmo states that Blush Lingerie has a large distribution network, one that has doubled over the past 5 to 10 years, that currently exceeds 1000 points of sale in about 390 cities across Canada. Attached as Exhibit “B” is a printout from the Blush Lingerie website listing of more than 100 store locations of distributors in Canada.

[45] According to Mr. Ajmo, Blush Lingerie has also put in place its e-commerce site for direct sales to Canadian consumers in May 2014, located at www.blushlingerie.com. The website has been in operation since as early as 2001. Mr. Ajmo states that the trademark BLUSH has been and continues to be displayed prominently on the website. Attached as Exhibits “C” and “D” are representative webpages of the Opponents’ website, from 2005 to 2013 prior to the e-commerce site, and 2016. I note that the trademark BLUSH appears on the printouts, along with photos of bras, lingerie and undergarments.

[46] In terms of advertising, Mr. Ajmo states that since 2001, the annual advertising expenditures targets for the trademark BLUSH in Canada is at least 5% of annual revenues. Mr. Ajmo has however omitted to provide any advertising or sales figures. According to Mr. Ajmo, Blush Lingerie has advertised and continues to advertise the registered goods extensively in print and online publications that circulate in Canada. Attached as Exhibit “F” are copies of advertisements and editorials said to be published in a number of magazines from 2010 to the time of the affidavit. I note that a number of excerpts from magazines such as ELLE, MAXIM, BRIDES, FLAIR, LUCKY, IN STYLE, with photos of intimate wear associated with the trademark BLUSH. I am prepared to take judicial notice that many of the referenced publications have been circulated in Canada.

[47] Mr. Ajmo further states that Blush Lingerie has appeared at numerous large and regional fashion and tradeshow events across Canada at which the registered goods are prominently displayed and promoted in association with the trademark BLUSH. According to Mr. Ajmo, for the past ten years, Blush Lingerie has attended at least five to 10 trade shows in Canada and at least four in the United States annually. Mr. Ajmo states that in recent years, some of these trade shows have also included exhibitors of sex toys.

[48] Finally, Mr. Ajmo includes sample promotional emails from Blush Lingerie to its customers (Exhibit “G”), sample newsletters published and distributed since May 2014 to Canadian customers to advertise the registered goods (Exhibit “H”), representative promotional pamphlet and marketing postcard distributed to wholesale customers and/or potential distributors at various trade shows in 2012 and 2015 (Exhibits “I” and “J”), and printouts of the Opponents’ various social media platforms promoting the registered goods (Exhibit “K”). I note that the trademark BLUSH and a variety of the registered goods can be seen in many of the attachments. I note however that Mr. Ajmo did not provide any distribution or circulation numbers, nor did he provide the number of Canadian consumers who would have viewed or accessed its social media platforms over the years.

Extent to which the Mark has become known

[49] In his affidavit, Mr. Meng explains that the Applicant was incorporated in New York on November 23, 2010 (Exhibit 1). On January 5, 2011, the Applicant obtained the rights to the US

Registration No. 3,621,749 for the trademark Blush Novelties and Design, which forms the basis for the subject application for the registration of the Mark (Exhibits 2 and 3).

[50] According to Mr. Meng, the Applicant has carried on business, and continues to carry on business, in the United States, under the trade name “Blush Novelties”. Moreover, Mr. Meng states that the Applicant has used the Mark in the United States, in relation with the applied-for goods since at least January 2011. Attached as Exhibit 4 are photos of sample goods bearing the Mark on the packaging, said to be identical to those sold in the United States since at least as early as 2011. I note that the Mark appears prominently on bags and packaging of various applied-for goods. Attached as Exhibit 5 are photos of the Mark at point-of-sale displays, stands and racks, identical to those sold in the United States since at least as early as 2011.

[51] In terms of the channels of trade, Mr. Meng states that the Applicant’s applied-for goods bearing the Mark are sold to retailers, distributors and stores for subsequent sales to consumers. Attached as Exhibit 6 is a list of more than 250 such retailers, distributors and stores in the United States, at the time of the affidavit. Mr. Meng confirms that the list would have been substantially similar at the time of filing of the subject application, namely April 30, 2014.

[52] In terms of sales, Mr. Meng provides the annual breakdown of the number of units sold in the United States of the applied-for goods between 2011 and May 2016, ranging from a low of 400,000 units in 2011 to a high of 1.6 million units in 2015, with a total of over 6 million units. Sample invoices are attached as Exhibit 7.

[53] Finally, in terms of advertising, Mr. Meng states that the Applicant has advertised, and continues to advertise the Mark in relation to the applied-for goods in the United States, in a number of ways including magazines, billboards, social media, and trade shows. Attached as Exhibit 10 is a sample advertisement bearing the Mark, highlighting one of the applied-for goods nominated for an award in 2012.

Analysis

[54] Both parties took issue with the evidence presented by the other side.

[55] In terms of Mr. Ajmo's affidavit, the Applicant submits that the affiant could not speak to information pertaining to the Opponents' predecessor-in-title 3092-7271 Quebec Inc. as Mr. Ajmo did not state that he had any position with the company nor that he had access to the documents and records maintained by the latter. The Applicant also suggests that the only evidence of use of the trademark BLUSH provided by the Opponents is that of bras and panties, and only for the years 2007, 2011, 2013 and up to the time of Mr. Ajmo's affidavit. The Applicant goes on to note that the Opponents failed to provide any sales volumes and sales figures, nor any annual breakdown between their Canadian operations and abroad. A similar concern is raised with respect to the lack of information regarding the Opponents' advertising expenditures. As such, the Applicant submits that the Opponents have not shown any use or promotion of the trademark BLUSH in association with the registered goods. At best, the Applicant submits that the evidence only support use of the Opponents' trademark with bras and panties. However, since there is no sales volumes nor advertising expenditures, the Applicant contends that the Registrar cannot determine the extent to which the trademark BLUSH has become known in Canada.

[56] I agree with the Applicant that Mr. Ajmo did not indicate whether he would have personal knowledge or access to records maintained in the normal course of business by 3092-7271 Quebec Inc., nor did he explain the business relationship between 3092-7271 Quebec Inc., himself, Blush Fashion and Blush Lingerie, if any. According to the particulars set out in registration No. TMA 391,268 for the trademark BLUSH attached as Exhibit "A" to Mr. Ajmo's affidavit, the trademark was first registered by Blush Lingerie in December 1991 and assigned to 3092-7271 Quebec Inc. on February 21, 2003. The registration was then assigned back to Blush Lingerie on September 13, 2006, and finally to Blush Fashion on June 30, 2010. As such, even if I were to set aside any evidence with respect to the use of the trademark by 3092-7271 Quebec Inc., I am satisfied that as President of Blush Lingerie and Blush Fashion, Mr. Ajmo was able to provide evidence of use and promotion of the trademark BLUSH between 1991 and 2003, and again between 2006 and the time of the affidavit, by these two companies.

[57] When Mr. Ajmo's affidavit is read as a whole, and contrary to the Applicant's contention that the trademark BLUSH has been used in association with only bras and panties during certain years in the past, I am satisfied that the Opponents have used the trademark BLUSH in

association with a variety of lingerie, intimate wear and undergarment for an extended period of time in Canada. In this regard, Mr. Ajmo lists the registered goods that have been sold in association with the trademark BLUSH over the years (even if I were to set aside the three and a half years where 3092-7271 Quebec Inc. had ownership of the registration), along with a list of stores where the goods were sold in Canada, and includes photos of sample goods with the trademark in support of his assertions. The documentary evidence is meant to be representative in nature rather than an exhaustive view of the Opponents' use of the trademark BLUSH over the years.

[58] In view of the foregoing, I am satisfied that the Opponents' trademark BLUSH is known to some extent in Canada based on the number of years their registered goods have been sold in Canada, the number of distributors and retailers, and evidence of promotion at trade shows in Canada and in magazines circulated in Canada. However, in the absence of sales volumes, sales figures, or advertising expenditures, I cannot conclude that the trademark BLUSH has become known to a significant extent in Canada.

[59] In terms of Mr. Meng's affidavit, the Opponents submit that the evidence does not speak to any advertising, sales or distribution of the applied-for goods in Canada, not that the Mark has become known to any extent in Canada. In fact, the Opponents argue that the Applicant has made no claim of any intention to use the Mark in Canada. As such, the Opponents are of the view that the Applicant has no goodwill or reputation in the Mark in Canada. In contrast, the Applicant submits that the evidence of extensive use of the Mark in the United States is relevant as section 6(5)(a) of the Act does not specifically limit use to only that within Canada.

[60] I disagree with the Applicant's interpretation of section 6(5)(a) of the Act. While evidence of use of the Applicant's Mark in the United States lends support to its foreign use claim, the section 6(5)(a) factor deals with the inherent and acquired distinctiveness of a trademark in Canada, not elsewhere.

[61] As mentioned above, section 6(2) of the Act provides that 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. In determining whether two

trademarks are confusing, the Act provides that the Registrar must have regard to all the surrounding circumstances set out in section 6(5) of the Act, including the extent to which the trademarks have become known.

[62] The fact that the Applicant's Mark might have become known in the United States does not, in and of itself, increase or decrease the likelihood that a "mistaken inference" would be made by the average Canadian consumer as they would not have been made aware of the use or promotion of the Applicant's Mark in another country. In other words, the extent to which the Mark has acquired distinctiveness in a foreign marketplace does not for that reason translate to acquired distinctiveness in the Canadian marketplace. Thus, unless there is evidence of spill-over effect in Canada, the Applicant's promotion and use of the Mark in the United States is irrelevant under section 6(5)(a) of the Act.

[63] In the end, while the Mark has a relatively higher degree of inherent distinctiveness, the Opponents' trademark BLUSH has become known to some extent in Canada in association with intimate wear. As such, the section 6(5)(a) factor does not favour either party.

Section 6(5)(b) - the length of time the trademarks have been in use

[64] The application is based on use and registration of the Mark in the United States. The Applicant has not provided any evidence of use of the Mark in Canada.

[65] In comparison, registration No. TMA391,268 claims use of the trademark BLUSH since at least as early as October 1, 1991 on "bras" and a declaration of use was filed in association with "lingerie, panties, slips, camisoles, bodysuits, robes, swim suits, teddies, underpants, undershirts, leggings, crop tops, sleepwear, nightgowns" on October 2, 1991. As per my review of Mr. Ajmo's affidavit above, I am satisfied that the Opponents have shown use of the trademark BLUSH in association with intimate apparel for an extended period of time in Canada.

[66] Under these circumstances, the section 6(5)(b) factor favours the Opponents.

Sections 6(5)(c) and (d) - the nature of the goods and trade

[67] When considering sections 6(5)(c) and (d) of the Act, the statements of goods as defined in the application for the Mark and in the cited registration govern the assessment of the likelihood of confusion under section 12(1)(d) of the Act [see *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)]. The 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; evidence of the parties' actual trades is useful in this respect [see *McDonald's Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd*, 1999 CarswellNat 3465 (TMOB)].

[68] The trademark BLUSH is registered for use in association with what could generally be described as intimate apparel including lingerie and undergarment. In terms of trade, as per my review of Mr. Ajmo's affidavit, the Opponents' goods are sold at large and small retail outlets, boutiques, and specialty retailers of intimate apparel and products across all of Canada and the world. Specifically, Mr. Ajmo states that Blush Lingerie has a large distribution network that exceeds 1000 points of sale in about 390 cities across Canada. Mr. Ajmo also provides that Blush Lingerie has an e-commerce site for direct sales to Canadian consumers located at www.blushlingerie.com.

[69] In comparison, the Mark is applied for use in association with various sex toys. The Applicant has not provided any evidence of the actual trade that it intends to engage in Canada. However, Mr. Meng states in his affidavit that the Applicant's goods bearing the Mark are sold to retailers, distributors and stores for subsequent sales to consumers in the United States and attaches a list of more than 250 such retailers, distributors and stores across the United States.

[70] As the Opponents' reply evidence, attached as Exhibit "C" to Mr. Kaikai's affidavit are printouts from numerous websites that sell sex toys, lingerie and intimate apparel. I note that some of the websites appear to belong to the same entities as those listed in the Mr. Meng's affidavit, as part of the Applicant's channels of trade in the United States.

[71] In its written argument, the Opponents submit that the parties' respective goods, services, and business are closely related in nature as both sell what can be generally described as "adult

oriented products” or “intimate products”. As such, the Opponents are of the view that the parties’ goods are likely to be used in combination or in close relation to each other.

[72] In contrast, the Applicant submits that there are no overlap between the parties’ goods and that the websites provided in Mr. Kaikai’s affidavit are “akin to well-known online retail stores, like Amazon (at *www.amazon.com*), which sells a variety of items, manufactured and produced by a variety of third parties”. In this regard, the Applicant contends that although lingerie and sex toys may be sold in the same store, or from the same online website, these items are very different and “normally manufactured by different parties” as each type of good requires “very specific manufacturing processes, materials and criteria” and that the consuming public is well aware of this difference. In support, the Applicant cites case law that stands for the proposition that “identical marks can co-exist in a grocery store setting” (e.g. meats and dairy products, chocolates and meat products, as well as barbecue sauce and cakes and chocolates).

[73] I note that the Applicant did not provide any evidence with respect to the differences in the manufacturing processes of the goods in question nor the characteristics of the relevant industries from individuals with such knowledge. The Applicant also provided no evidence in support of its argument that the websites identified in Mr. Kaikai’s affidavit are akin to online selling platforms similar to that of Amazon. While I accept that different materials could be used in the production of clothing items and sex toys, and that the two types of goods might require different production methods, in the absence of sufficient relevant evidence, I am not prepared to accept the Applicant’s submissions that the parties’ goods are normally manufactured by very different parties and that the “consuming public is very much aware” of this distinction. I am also not prepared to draw an analogy between food items sold in a grocery store and items sold in an adult lifestyle store such as sex toys and lingerie.

[74] In the end, while there might not be any direct overlap in the nature of the parties’ goods, I agree with the Opponent that they are closely related as they are both in the business of “adult oriented products” or “intimate products” with potential for overlap in the parties’ channels of trade.

[75] Accordingly, these two factors favour the Opponent.

Section 6(5)(e) - the degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them

[76] In its written argument, the Applicant submits that the addition of the word “novelties” to the Mark “will cause anyone to pause significantly” because “lingerie and sleepwear (very *intimate* goods) are not normally referred to as being a ‘NOVELTY’”. As such, the Applicant contends that the addition of the word “novelties” will function to distinguish the Mark from the Opponents’ trademark BLUSH.

[77] I disagree. Section 6(5)(e) of the Act is concerned with the degree of resemblance between the parties’ trademarks, including in appearance or sound or in the ideas suggested by them in association with the related goods. It is not concerned with the impression that the average consumer might have of one party’s trademark in association with the other party’s goods.

[78] As indicated by the Supreme Court of Canada in *Masterpiece*, the preferable approach is to begin by determining whether there is an aspect of each trademark that is “particularly striking or unique” [*Masterpiece* at para 64]. In this respect, it is not the proper approach to set the trademarks side by side and carefully examine them to find similarities and differences; each trademark must be considered as a whole [see *Veuve Clicquot*].

[79] Moreover, as noted by Justice Denault in *Pernod Ricard v Molson Breweries* (1992), 44 CPR (3d) 359 (FCTD) at paragraph 34:

The trade marks should be examined from the point of view of the average consumer having a general and not a precise recollection of the earlier mark. Consequently, the marks should not be dissected or subjected to a microscopic analysis with a view to assessing their similarities and differences. Rather, they should be looked at in their totality and assessed for their effect on the average consumer as a whole [citations omitted].

[80] When the trademarks are viewed as a whole, there are necessarily significant similarities in appearance, sound and ideas suggested between them as the word mark BLUSH forms part of the dominant features of the Applicant’s Mark, as discussed under section 6(5)(a) analysis. In terms of the effect of the term “novelties”, I am of the view that it is not a particularly striking or unique feature of the Mark, giving its relative size and position in the trademark, as well as its suggestive nature.

[81] As such, this factor favours the Opponent.

Additional surrounding circumstance - State of the register evidence

[82] In its written argument, the Applicant submits that one key surrounding circumstance in this case is the existence of numerous active trademarks on the *Canadian Trademarks Database* that comprise of the word “blush” in association with various goods and services. In particular, the Applicant states that “the sheer number” of these active trademarks suggests that Canadian consumers are not easily confused between similar or identical trademarks that include the term “blush” used on different products and that they are accustomed to making fine distinctions between them.

[83] Attached as Exhibit 8 to Mr. Meng’s affidavit is a list of 77 such active trademark applications and registrations, and Exhibit 9 are the search details of 14 trademarks that contain the term “blush” that were advertised, allowed or registered in association with clothing, personal care products, cosmetics, haircare products and skincare products.

[84] State of the register evidence is often introduced to show the commonality (or the lack thereof) of a trademark or portion of a trademark in relation to the register as a whole. However, the evidence is only relevant insofar as inferences may be made with respect to the state of the marketplace. The inferences being that at a particular relevant date, the common element in question is in fairly extensive use in the market in which the trademarks under consideration are being used or will be used such that consumers will distinguish the trademarks by paying more attention to other features [see *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[85] Such inferences about the state of the marketplace can only be drawn when a significant number of pertinent registrations are located [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Kellogg Salada Canada*; and *Welch Foods*].

[86] In the present case, setting aside the question of whether such evidence should have formed part of an affidavit from the chief financial officer of a company that sells sex toys in the United States, I am unable to draw any meaningful inferences from the state of the register

evidence filed by the Applicant about the marketplace with respect to the use of terms that are in both parties' trademarks.

[87] The existence of 77 active applications and registrations for trademarks that include the term "blush" in association with all kinds of goods and services has no bearing on whether these trademarks would be or have been used in the same trade or marketplace as those of the parties.

[88] As for the 14 advertised or registered trademarks attached as Exhibit 9, I note that there is no information on actual use, the length of time or the extent to which any of the third-party registrations have been in use in Canada. I also question the relevance of much of the search results presented by the Applicant as none of the 14 trademarks are advertised or registered in association with sex toys or intimate apparel. In *Eclectic Edge Inc v Gildan Apparel (Canada) LP*, 2015 FC 1332, the Court cautioned that "it is not the quantity or sheer numbers that count but rather the quality of evidence showing actual use of the common [element] in the relevant industry in Canada" [para 92].

[89] In view of the foregoing, the state of the register evidence provided by Mr. Meng is of no assistance to the Applicant in terms of the likelihood of confusion between the Opponents' trademark and the Mark.

Additional surrounding circumstance – Instance of actual confusion

[90] In his affidavit, Mr. Ajmo states that there has been at least one instance of confusion in Canada with the Applicant's products and the trademark BLUSH. Attached as Exhibit L to his affidavit is a copy of an email received by Blush Lingerie on January 4, 2016 from a customer who had issue with one of the Applicant's items purchased earlier. In its written argument, the Applicant submits that since the Opponents' trademark has "very low inherent distinctiveness", some risk of confusion is inevitable.

[91] In contrast, Mr. Meng states in his affidavit that he was not aware of any instances of actual confusion in the United States. I am unable to afford any weight to Mr. Meng's statement as it has no bearing on the situation in the Canadian marketplace.

[92] It is difficult to draw any meaningful conclusion from a single instance of confusion with so little detail surrounding the event. As such, I do not find that this circumstance favours the Opponents to a significant extent.

Additional surrounding circumstance – Nature of the goods

[93] In its written argument, the Applicant submits that both lingerie and sex toys are intimate and personal items that are “not normally purchased in a hurry or on a whim”. As such, consumers will take additional time to make a purchase and research the brands and trademarks, thus reducing the likelihood of confusion.

[94] I disagree. First, there is no evidence that consumers would take additional time or research the brands prior to purchasing lingerie or sex toys. Second, similar arguments regarding consumers’ behavior were rejected as a factor that will diminish the likelihood of confusion by the Supreme Court in the context of items that are of a specialized nature. In this regard, Justice S n gal of the Superior Court of Qu bec in *De Grandpr  Joli-Coeur v De Grandpr  Chait* (2011) 94 CPR (4th) 129 summarizes the Supreme Court of Canada’s discussion on this point in *Masterpiece* as follows at para 97-98:

[translation]

In *Masterpiece*, the Supreme Court stated that it is an error to believe that, since consumers of expensive goods and services generally take considerable time to inform themselves about the source of those goods and services, there is a reduced likelihood of confusion. Confusion must instead be assessed from the perspective of the first impression of the consumer approaching a costly purchase when he or she encounters the trade-mark. It is not relevant that consumers are unlikely to make choices based on first impressions or that they will generally take considerable time to inform themselves about the source of expensive goods and services. Careful research which may later remedy confusion does not mean that no confusion ever existed or that it will not continue to exist in the minds of consumers who did not carry out that research.

In the view of the Supreme Court, consideration must be limited to how a consumer with an imperfect recollection of a business’s mark would have reacted upon seeing the other company’s mark. The question of cost is unlikely to lead to a different conclusion in cases where a strong resemblance suggests a likelihood of confusion and the other factors set out in subsection 6(5) of the Act do not point strongly against a likelihood of confusion.

[95] I am of the view that the cited analysis is equally applicable in the context of “intimate and personal items”. It is irrelevant that consumers are unlikely to make choices based on first impressions or that they will generally take considerable time to inform themselves about the source of the lingerie and sex toys, confusion must instead be assessed from the perspective of the first impression of the consumer approaching the purchase of such an item when he or she encounters the trademark, with an imperfect recollection of the other trademark. The question of whether it is an “intimate and personal item” is unlikely to lead to a different conclusion in cases where a strong resemblance suggests a likelihood of confusion and the other factors set out in subsection 6(5) of the Act do not point strongly against a likelihood of confusion.

[96] In the end, I do not find this additional circumstance to be relevant in the present proceeding.

Conclusion on the likelihood of confusion

[97] In *Masterpiece*, the Supreme Court of Canada indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the parties’ trademarks [see also *Beverley Bedding & Upholstery Co v Regal Bedding & Upholstering Ltd* (1980), 47 CPR (2d) 145 (FC), at 149, affirmed (1982), 60 CPR (2d) 70 (FCA)]. Specifically, the Court noted that the degree of resemblance is the statutory factor that is often likely to have the greatest effect on the confusion analysis; the other factors become significant only once the trademarks are found to be identical or very similar [at para 49].

[98] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, including the length of time of time the trademark BLUSH has been in use in Canada in association with intimate apparel including lingerie and undergarment, the close connection between the parties’ goods, the potential for overlap in their channels of trade, the strong similarities between the parties’ marks, as well as evidence of a single instance of actual confusion, I am not satisfied that the Applicant has discharged its burden to prove, on a balance of probabilities, that there is no likelihood of confusion between the Mark and the trademark BLUSH.

[99] Accordingly, the 12(1)(d) ground of opposition is successful.

Section 16(2)(a) Ground Accepted

[100] In their statement of opposition, the Opponents allege that the Applicant is not the person entitled to registration of the Mark pursuant to sections 16(2)(a) of the Act, on the ground that the Mark is confusing with the registered trademarks BLUSH (TMA391,268), WHAT MAKES YOU BLUSH (TMA643,524) and BE BY BLUSH (TMA829,712), which had been previously used in Canada and continue to be used, by the Opponents either directly and/or through a licensee in association with the registered goods and in association with online retail services featuring the registered goods.

[101] The Opponents have the initial burden of establishing that one or more of the alleged trademarks was used in Canada prior to the filing date of the Applicant's application, namely April 30, 2014, and had not been abandoned at the date of advertisement of the application for the Mark, namely July 15, 2015 [section 16 of the Act].

[102] Once again, I find that comparing the Mark with the trademark BLUSH (TMA391,268) will effectively decide this ground of opposition. In other words, if confusion is not likely between the Mark and BLUSH, then it would not be likely between the Mark and any of the other registered trademarks alleged by the Opponents.

[103] As per my review of Mr. Ajmo's affidavit under the section 12(1)(d) analysis, I am satisfied that the trademark BLUSH has been used in association with intimate apparel including lingerie and undergarments in Canada prior to April 30, 2014, and that it has not been abandoned as of July 15, 2015. Further, assessing each of the section 6(5) factors as of April 30, 2014 rather than as of today's date does not significantly impact my previous analysis of the surrounding circumstances of this case.

[104] As in the case of the non-registrability ground, I conclude that the Applicant has not discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between its Mark and the Opponents' trademark BLUSH as of April 30, 2014. Accordingly, I accept the section 16(2)(a) ground of opposition.

Remaining Grounds of Opposition

[105] Since I have already refused the application under two grounds, I do not consider it necessary to address the remaining grounds of opposition.

DISPOSITION

[106] 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.

Pik-Ki Fung
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE: No hearing was held.

AGENTS OF RECORD

Ridout & Maybee LLP

FOR THE OPPONENT

Sander R. Gelsing (Warren Sinclair LLP)

FOR THE APPLICANT

Schedule "A"

Trademark

BLUSH

Registration No. TMA391,268

Current Owner Blush Fashion Group Inc.

Statement of Goods

(1) Lingerie, panties, slips, camisoles, bodysuits, robes, swim suits, teddies, underpants, undershirts, leggings, crop tops, sleepwear, nightgowns.

(2) Bras.

Claims

Used in CANADA since at least as early as October 01, 1991 on goods (2)

Declaration of Use filed October 02, 1991 on goods (1)

Trademark

WHAT MAKES YOU BLUSH

Registration No. TMA643,524

Current Owner Blush Fashion Group Inc.

Statement of Goods

(1) Lingerie, panties, slips, camisoles, bodysuits, robes, swim suits, teddies, underpants, undershirts, leggings, crop tops, sleepwear, nightgowns; bras.

Claims

Declaration of Use filed June 08, 2005

Trademark

BE BY BLUSH

Registration No. TMA829,712

Current Owner Blush Fashion Group Inc.

Statement of Goods

(1) Lingerie, panties, slips, camisoles, bodysuits, robes, swim suits, teddies, underpants, undershirts, leggings, crop tops, sleepwear, nightgowns; bras.

Claims

Declaration of Use filed August 10, 2012