

Federal Court



Cour fédérale

Date: 20141219

Docket: T-1174-14

Citation: 2014 FC 1242

Ottawa, Ontario, December 19, 2014

PRESENT: The Honourable Mr. Justice Boswell

BETWEEN:

JACQUES VERT GROUP LIMITED

Applicant

and

YM INC. (SALES)

Respondent

JUDGMENT AND REASONS

I. Background and Nature of the Proceeding

[1] On August 23, 1991, Planet Fashion Limited registered the word “PLANET” as a trade-mark covering the following wares: “[c]oats, raincoats, blazers, slacks, shirts, skirts, suits, jackets, knitted waistcoats, cardigans, sweaters, pullovers, scarves and belts (for wear), all for women and girls”. On December 21, 2007, Planet Fashion Limited assigned its trade-mark registration for “PLANET” to Jacques Vert PLC (the predecessor in name to the Applicant).

[2] On April 24, 2008, Jacques Vert PLC applied to the Registrar of Trade-marks (application serial no. 641,981(1)) to extend its trade-mark registration no. TMA 387,969 for “PLANET” as follows:

Extend the statement of wares in respect of which the trade-mark is registered to include jewellery and watches; handbags, clutch bags, evening bags, purses, wallets, umbrellas.

Extend the statement of services in respect of which the trade-mark is registered to include retail sale of jewellery, watches, handbags, clutch bags, evening bags, purses, wallets, umbrellas, formalwear, business attire, high-fashion articles of clothing and ready-made garments, suits, waistcoats, coats, raincoats, blazers, jackets, trousers, skirts, shirts, blouses, vests, t-shirts, cardigans, sweaters, jumpers, pullovers, scarves, shawls, clothing belts for wear, hats, formal footwear, evening footwear, beach footwear, casual footwear, slippers.

[3] The Respondent, which has trade-marked the words “URBAN PLANET” to cover retail clothing store services, opposed the Applicant’s application to extend its trade-mark registration on the grounds that the “PLANET” trade-mark had not been used as of the claimed date of first use, that it was confusing with “URBAN PLANET”, and that it was non-distinctive.

[4] The matter went to the Trade-marks Opposition Board [the Board], whose members have delegated authority under section 63(3) of the *Trade-marks Act*, RSC 1985, c T-13 [the Act], to decide opposition proceedings for the Registrar of Trade-marks [the Registrar]. In a decision dated February 25, 2014, the Board refused to allow the Applicant’s extension to its “PLANET” trade-mark (see: 2014 TMOB 42).

[5] The Applicant now appeals the Board's decision pursuant to sections 56(1) and 63(4) of the Act by way of an application in this Court under Rule 300(d) (*Federal Courts Rules*, SOR/98-106).

[6] The Applicant requests, amongst other things, an order reversing the Board's decision and allowing the application serial no. 641,981(1). Although the Respondent was duly served with the Applicant's Notice of Application on May 16, 2014, the Respondent did not file any Notice of Appearance under Rule 305 and did not contest or appear at this appeal.

II. Issues

[7] On appeal, the Applicant submitted evidence with its application record that was not before the Board and raised various issues which may be summarized as follows:

- a. Is the Applicant's new evidence admissible?
- b. What is the standard of review?
- c. Is "PLANET" confusing with "URBAN PLANET"?
- d. Is the "PLANET" mark distinctive?
- e. Is it necessary to assess the grounds of opposition dismissed by the Board?

III. Decision of the Board

[8] After summarizing the background of this matter and disposing of some preliminary issues, the Board noted that the Applicant had the onus to establish that its application to extend its trade-mark registration complied with the requirements of the Act, but that the Respondent

first needed to adduce sufficient evidence to support its grounds of opposition to the Applicant's application. The Board then proceeded to assess the various grounds of opposition raised by the Respondent.

[9] The Board dismissed the Respondent's argument that the Applicant did not comply with paragraph 30(b) of the Act. Although the Respondent argued that the Applicant had not used the mark in association with the wares and services applied for by the extension application, the only evidence supplied by the Respondent in this regard was an internet search which the Board found to be insufficient to meet the Respondent's evidentiary burden.

[10] The Board next considered whether the "PLANET" mark was confusing with the "URBAN PLANET" mark. After stating the test, the Board noted that section 6(5) of the Act required it to consider several factors: (a) inherent distinctiveness and acquired fame of the marks; (b) the length of time the marks have been used; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the resemblance between the marks.

[11] In analyzing these factors, the Board observed that both parties' marks were inherently distinctive since neither described the wares or services they covered and, if anything, "URBAN PLANET" was somewhat less distinctive since the word "urban" suggested a style of clothing or city fashion. However, the Board was satisfied by the Respondent's evidence that "URBAN PLANET" had become well known across Canada and, since the Applicant had not presented any evidence about the use of its trade-mark, paragraphs 6(5)(a) and 6(5)(b) of the Act favoured the Respondent.

[12] With respect to paragraphs 6(5)(c) and 6(5)(d) of the Act, the Board determined that the wares and services of the parties were different, at least to the extent that the Applicant's applied for services included the retail sale of footwear, and that the other wares and services were related but not identical. Although the Applicant argued that the channels of trade were different since it sold its own branded products and the Respondent sold only third party products, the Applicant had presented no evidence in this regard and the Board therefore presumed that the channels of trade overlapped.

[13] The Board further determined that paragraph 6(5)(e) of the Act also favoured the Respondent. While acknowledging that the first word is often the most dominant part of a mark, the Board regarded the word "URBAN" as a word suggestive of a style of clothing and not the most striking or unique feature of the Respondent's mark. Having regard to the Respondent's mark in its totality, the Board found that "PLANET" was the most striking or unique feature of the Respondent's mark, and given that the word "PLANET" was the only element of the Applicant's mark, there was a considerable degree of resemblance between the marks.

[14] In determining that the Respondent's ground of opposition under paragraph 12(1)(d) of the Act succeeded, the Board dismissed various arguments that the Applicant raised to show non-confusion. Although the Applicant argued that the marks were not confusing since the trade-mark examiner did not cite the "PLANET" mark during prosecution of the "URBAN PLANET" mark, the Board stated it was not bound by decisions of the examination section of the Canadian Intellectual Property Office. The Applicant's argument that the marks had co-existed for years without confusing anyone was dismissed by the Board since the Applicant had not proven that

the “PLANET” mark had been used to any great extent in Canada. In response to the Applicant’s further argument that the wares and services in the extension application could be seen as a natural extension of the wares already covered and thus reduce confusion, the Board noted that the Applicant had no automatic right to the extension.

[15] As to the remaining grounds of opposition, the Board stated that, in view of its finding of there being a likelihood of confusion between the parties’ respective marks, such finding dictated the same result for the other grounds of opposition. Thus, the Board refused the Applicant’s application to extend its trade-mark.

IV. Submissions of the Parties

A. *Applicant’s Submissions*

[16] Although the Applicant elected not to file any evidence before the Board, the Applicant argues that section 56(5) of the Act entitles it to submit new evidence on this appeal and the Applicant has done so. This evidence by way of affidavits includes printed copies of the official webpages for the Bay and Urban Planet, which the Applicant contends are admissible (relying on *ITV Technologies Inc v WIC Television Ltd*, 2003 FC 1056 at paras 16-18, 29 CPR (4th) 182 [ITV]), as well as statements from two national managers of the Applicant as to the use and sales of the garments and accessories produced and sold under the “PLANET” mark in boutiques located in Hudson’s Bay Company outlets across Canada.

[17] The Applicant states that, although decisions of the Board are normally reviewed on a standard of reasonableness, this is not the case where new or additional evidence is adduced that would have materially affected the Board's findings of fact or the exercise of its discretion; and this being the case in this appeal, the appropriate standard of review for the Board's decision is one of correctness (citing *Scott Paper Ltd v Georgia-Pacific Consumer Products LP*, 2010 FC 478, 83 CPR (4th) 273 [*Scott*]).

[18] In light of this new evidence, the Applicant argues that there can be no confusion between "PLANET" and "URBAN PLANET". The Applicant agrees with the Board's decision that both marks are inherently distinct, but submits that the Board erred by finding that "URBAN PLANET" had acquired more distinctiveness by becoming well known. The Applicant argues that the evidence now before this Court shows that the "PLANET" mark has acquired substantial distinctiveness and has been used in Canada since at least as early as 1999 and, hence, the factors under paragraphs 6(5)(a) and 6(5)(b) of the Act favour neither party.

[19] The Applicant also argues that both the nature of the goods and services and the channels of trade suggest that its "PLANET" mark is not confusing with "URBAN PLANET". The Applicant states that the Respondent sells only third-party products directed at young, trend-sensitive consumers at prices substantially lower than the prices of the Applicant's branded products, whereas the "PLANET" products are sold in the Applicant's own boutiques to a more mature and business type of consumer. These, the Applicant submits, are distinct markets within the fashion industry, something which reduces the likelihood of any confusion.

[20] The Applicant further states that the Board was wrong to find that the marks strongly resemble each other and that the Board should not have dissected “URBAN PLANET” by focussing on the second word, especially since the first word of a mark is usually most important.

[21] The Applicant submits that the evidence now before the Court shows that the marks have co-existed for many years without any evidence of confusion. Furthermore, the “URBAN PLANET” mark was registered in 2005 despite the fact that the “PLANET” mark had been on the register since 1991; if the Registrar did not consider the marks to be confusing in 2005, the Applicant submits that they are not confusing now.

[22] As for the non-entitlement ground of opposition, the Applicant submits that the Board was wrong to find that the Respondent met its burden under paragraph 16(1)(a) of the Act since the pertinent date to be considered was the date of first use claimed by the Applicant, a date which was well before when the Respondent began using its “URBAN PLANET” mark in Canada. In any event, the Applicant says that since there is no likelihood of confusion this ground of opposition should have been dismissed by the Board.

[23] In reference to the non-distinctiveness ground of opposition, the Applicant states that the Board’s determination in this regard was incorrect since it too was premised on the existence of confusion.

[24] For those reasons, the Applicant submits that it is entitled to extend its “PLANET” mark to cover the additional wares and services.

B. *Respondent’s Submissions*

[25] Although the Respondent was notified of this appeal on May 16, 2014, it did not file a Notice of Appearance pursuant to Rule 305, nor did it intervene after the Order setting down the hearing of this matter was faxed to it on July 16, 2014. The appeal has therefore proceeded uncontested.

V. Analysis

A. *Is the Applicant’s new evidence admissible?*

[26] Although an appeal under section 56(1) of the Act proceeds in many ways like a judicial review, section 56(5) of the Act provides as follows:

56. ... (5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.	56. [...] (5) Lors de l’appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.
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The Federal Court of Appeal has held that this provision allows a party to file evidence even if it submitted no evidence before the Board (see: *Brain Tumour Foundation of Canada v Starlight Foundation*, 2001 FCA 36 at paras 3-6, 11 CPR (4th) 172). The law is clear; the Applicant’s affidavit evidence can be considered for the purposes of this appeal.

[27] Also, this Court has sometimes admitted documents from the official websites of companies as evidence (*ITV* at paras 16-18), but not necessarily for the truth of their contents (*ITV* at para 12). Indeed, although the Federal Court of Appeal affirmed the trial decision in *ITV*, it expressly refused to comment on whether the internet evidence was admissible (*ITV Technologies Inc v WIC Television Ltd*, 2005 FCA 96 at paras 29-31, 251 DLR (4th) 208).

[28] In this case, Ms. Roberts attached as exhibits to her affidavit some webpage printouts from the internet to substantiate her personal observations that “PLANET” goods are more expensive than the goods sold in “URBAN PLANET” stores. These observations have not been contradicted by any other evidence before the Court, and so I find, without regard to the webpage printouts themselves, that based on Ms Roberts’ observations the goods sold in “URBAN PLANET” stores have lower prices than those sold in the “PLANET” boutiques. It is unnecessary to consider the admissibility of the webpage printouts any further.

B. *What is the standard of review?*

[29] Although new evidence may be submitted, an appeal under section 56(1) of the Act is not a trial *de novo* since the material before the Board must also be considered. Accordingly, the standard of review must be determined.

[30] In *Molson Breweries v John Labatt Ltd*, [2000] 3 FCR 145 at para 51, 5 CPR (4th) 180 (CA), Mr. Justice Rothstein stated that:

Having regard to the Registrar's expertise, in the absence of additional evidence adduced in the Trial Division, I am of the opinion that decisions of the Registrar, whether of fact, law or

discretion, within his area of expertise, are to be reviewed on a standard of reasonableness *simpliciter*. However, where additional evidence is adduced in the Trial Division that would have materially affected the Registrar's findings of fact or the exercise of his discretion, the Trial Division judge must come to his or her own conclusion as to the correctness of the Registrar's decision.

The foregoing was acknowledged by the Supreme Court of Canada as being consistent with its approach in *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 41, [2006] 1 SCR 772 [*Mattel*], and has also been followed by this Court and the Federal Court of Appeal subsequent to *Dunsmuir v New Brunswick*, 2008 SCC 9, [2008] 1 SCR 190 (see: e.g., *Iwasaki Electric Co Ltd v Hortilux Schreder BV*, 2012 FCA 321 at para 2, 442 NR 310; and *Scott* at paras 42-44).

[31] I agree with the Applicant that the evidence now adduced in this Court would have materially and significantly affected the Board's decision. The primary issue before the Board was confusion between the marks, and the Board expressly premised many of its findings on the fact that there was no evidence from the Applicant to rebut the Respondent's objections. In particular, the absence of evidence that "PLANET" had been used by the Applicant led the Board to make the following conclusions: that "URBAN PLANET" had acquired more distinctiveness than "PLANET"; that "URBAN PLANET" had been used longer than the Applicant's mark; and that the channels of trade would overlap.

[32] The Applicant has now presented significant evidence with respect to matters of which the Board was not aware and which would have materially affected the Board's evaluation of the factors under section 6(5) of the Act. Accordingly, the Board's conclusions and its decision to refuse the Applicant's application to extend its trade-mark are owed no deference.

C. Is “PLANET” confusing with “URBAN PLANET”?

[33] An opponent to a proposed trade-mark, such as the Respondent here, bears an evidentiary burden to show that the grounds of opposition are supported before an applicant’s legal onus to prove its claim for a trade-mark is engaged (see: *John Labatt v Molson Co* (1990), 36 FTR 70 at para 11, 30 CPR (3d) 293, aff’d (1992), 144 NR 318, 42 CPR (3d) 495 [*Labatt*]; and see: *Christian Dior, SA v Dion Neckwear Ltd*, 2002 FCA 29 at paras 10-11, [2002] 3 FCR 405). Although this evidentiary burden is light (see: *Loblaws Inc v Telecombo Inc*, 2006 FC 634 at para 36, 292 FTR 272), the opponent must still present sufficient evidence from which it can reasonably be concluded that the facts alleged to support a ground of opposition exist (see: *Cyprus (Commerce and Industry) v International Cheese Council of Canada*, 2011 FCA 201 at para 26, 93 CPR (4th) 255, citing *Labatt*, at para 13).

[34] The Applicant claimed before the Board that it has used “PLANET” to mark the wares and services referred to in its application since at least as early as 1997 in Canada. The evidence before the Board was that the first store using the “URBAN PLANET” banner opened in the Eaton Centre in Toronto on July 7, 1998, and that the “URBAN PLANET” mark was only applied for on June 4, 2004. The Board found that the Respondent failed to satisfy its burden to show that the Applicant’s mark had not been used in association with the applied for wares and services since 1997, and concluded (at para 25 of its decision) that it “cannot be assumed from a lack of evidence of use of the Mark [i.e., “PLANET”] on the Internet alone that the Applicant has not been using its Mark in association with the applied for wares or services”. I agree with the Board’s conclusion in that regard.

[35] However, the Board found that the Respondent had satisfied its initial evidentiary burden with respect to its objection that the Applicant's proposed extension of its mark was not registrable since it was confusing with the Respondent's mark. The Board also found that, since there was a reasonable likelihood of confusion between the Applicant's mark and the Respondent's mark, the Applicant's application to extend the statement of wares and services of its mark should be refused.

[36] With the new and additional evidence now before the Court, I disagree. It is my view that there is no reasonable likelihood of confusion between "URBAN PLANET" and the Applicant's proposed extension of its mark "PLANET".

[37] Paragraph 12(1)(d) of the Act provides that a trade-mark is registrable if it is not "confusing with a registered trade-mark". The material date against which any such confusion is to be assessed is the date of adjudication (see: *Park Avenue Furniture Corp v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 at 422, 130 NR 223 (FCA)), and since significant new evidence has now been filed with the Court this date should be the date of this Court's determination (see: *Hudson's Bay Co v Anonim Sirketi*, 2013 FC 124 at para 28, 109 CPR (4th) 211).

[38] Section 6(2) of the Act provides that a trade-mark is confusing with another trade-mark if it is "likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class". In *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC

27 at para 40, [2011] 2 SCR 387 [*Masterpiece*], the Supreme Court of Canada set out the following approach:

The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the [mark], at a time when he or she has no more than an imperfect recollection of the [prior] trade-marks, and does not pause to give the matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks.

[39] In addition, section 6(5) of the Act requires that all the surrounding circumstances must be considered in determining whether trade-marks are confusing:

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| <p>6. ... (5) In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including</p> | <p>6. [...] (5) En décidant si des marques de commerce ou des noms commerciaux créent de la confusion, le tribunal ou le registraire, selon le cas, tient compte de toutes les circonstances de l'espèce, y compris :</p> |
| <p>(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;</p> | <p>a) le caractère distinctif inhérent des marques de commerce ou noms commerciaux, et la mesure dans laquelle ils sont devenus connus;</p> |
| <p>(b) the length of time the trade-marks or trade-names have been in use;</p> | <p>b) la période pendant laquelle les marques de commerce ou noms commerciaux ont été en usage;</p> |
| <p>(c) the nature of the wares, services or business;</p> | <p>c) le genre de marchandises, services ou entreprises;</p> |
| <p>(d) the nature of the trade; and</p> | <p>d) la nature du commerce;</p> |
| <p>(e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested</p> | <p>e) le degré de ressemblance entre les marques de commerce ou les noms commerciaux dans la présentation ou le son, ou</p> |

by them.

dans les idées qu'ils suggèrent.

[40] Paragraph 6(5)(a): inherent distinctiveness and fame – I agree with the Board that both marks are inherently distinctive and for the same reason. They are both arbitrary and neither mark logically describes or suggests the wares and services they cover. I also accept the Board's conclusion (at para 32 of its decision) that "URBAN PLANET" has become quite well known across Canada.

[41] Unlike the Board, however, the Court now has evidence before it that the "PLANET" mark has also become known in Canada. The affidavits from two of the Applicant's national managers show that goods with the "PLANET" brand are sold in boutiques in 50 Bay locations across seven provinces, and since 2009 annual sales of "PLANET" branded goods have exceeded \$32 million. Ms. Roberts' affidavit further shows that the name of the "PLANET" brand is displayed within the Ottawa boutique in the Bay on the wall and on the hangers, and that the merchandise bag includes a reference to the brand. Based on this evidence, I conclude that "PLANET" has also become known in Canada.

[42] Paragraph 6(5)(b): time used – I accept that the respective marks of the Applicant and the Respondent have been used for about the same length of time, in that the Respondent opened its first "URBAN PLANET" store in Toronto in 1998 and that "PLANET" boutiques have been operating at least since 1999.

[43] Paragraph 6(5)(c): nature of the wares and services – Both the "URBAN PLANET" mark and the applied for extension of the Applicant's mark cover retail sale of clothing services.

Although the “URBAN PLANET” mark does not cover wares, a casual consumer might associate the retail services of a clothing store with any wares marked similarly. This factor suggests that the marks might possibly be confusing in the mind of a casual consumer somewhat in a hurry, but for the reasons noted below I do not see this factor alone as being a sufficient reason to deny the Applicant’s application.

[44] Paragraph 6(5)(d): nature of the trade – There is no evidence that the Respondent sells any goods or wares branded with its trade-mark on it; indeed, there is evidence before the Court that the Respondent sells only goods or wares of third parties. In contrast, the evidence now shows that “PLANET” goods are exclusively sold within the Applicant’s own boutiques located within Bay stores. Furthermore, the price ranges of the goods or wares sold by each party are materially different; typically, “PLANET” branded goods are significantly more expensive than the goods sold in “URBAN PLANET” stores. These types of differences have been held to reduce the chance of confusion (see: e.g., *Hermés SA v Fletcher Golf Enterprises Ltd* (1984), 78 CPR (2d) 134 at 146, [1984] FCJ No 29 (QL) (FCTD)).

[45] The fact that the goods sold by each party are sold in different types of stores and marketed to a different type of customer is a significant factor (see: *Mattel* at para 86), since a consumer who is familiar with clothing sold in an “URBAN PLANET” store would not likely be confused by more expensive articles of clothing sold in a “PLANET” boutique in a Bay department store. Moreover, there is no evidence that these channels of trade are likely to mix at any time in the near future. As the Federal Court of Appeal observed in *Alticor Inc v Nutravite Pharmaceuticals Inc*, 2005 FCA 269 at para 37, 257 DLR (4th) 60:

It has been held that assessing the future sales operations of a company should not include speculation about possible new ventures. (See *Joseph E. Seagram & Sons Ltd. v. Registrar of Trade Marks* (1990), 33 C.P.R. (3d) 454, at p. 46, (F.C.T.D.); *Cochrane-Dunlop Hardware Ltd. v. Capital Diversified Industries Ltd.* (1976), 30 C.P.R. (2d), 176 at p. 188 (Ont. C.A.). The actual channels of trade are a preferable basis of projections as to the future likelihood of confusion. [Emphasis added]

[46] I am mindful that the present or actual use of a mark should not be considered to the exclusion of potential future uses within a registration. After all, “what is at issue is what the registration would authorize the [applicant] to do, not what the [applicant] happens to be doing at the moment” (*Mattel* at para 53; *Masterpiece* at para 53). There is no guarantee that “PLANET” goods will always be sold exclusively or only in boutiques in the Bay or that the Respondent will always sell inexpensive goods in its “URBAN PLANET” stores. However, there is no evidence before the Court to suggest that the existing channels of trade will change and, hence, this factor supports the Applicant’s application.

[47] Paragraph 6(5)(e): degree of resemblance between the marks – This is often the most important factor in assessing the likelihood of confusion between trade-marks (*Masterpiece* at para 49). The Applicant takes issue with the Board for “dissecting” the Respondent’s mark (see para 40 of the Board’s decision) and unduly focusing on the word “planet” in finding that “there is a considerable degree of resemblance between the marks in appearance, sound and idea suggested”. The Applicant argues that the first word is usually more important (see: *Conde Nast Publications Inc v Union des éditions modernes* (1979), 46 CPR (2d) 183 at 188, [1979] FCJ No 801 (QL) (FCTD)), and that the Board erred in finding that “URBAN” was not the most striking or unique feature of the Respondent’s mark. In *Masterpiece* at para 64, the Supreme Court stated

that, “[w]hile the first word may, for purposes of distinctiveness, be the most important in some cases, I think a preferable approach is to first consider whether there is an aspect of the trade-mark that is particularly striking or unique.”

[48] In my view, both words of “URBAN PLANET” are striking. I do not think that the word “URBAN” dominates “PLANET”, or *vice versa*. Both words together give the Respondent’s mark its uniqueness or flavour, thus invoking an image of a large city or urban area sprawling over an entire planet or world. In contrast, the word “PLANET” in the Applicant’s mark is not modified by any adjective, thus invoking an image of space, the earth or some other planet in the universe. These images are different and in my mind suggestive of different styles of clothing. Admittedly, the sound of the two marks is somewhat similar, but only in so far as they are both anchored by the same noun, “planet”.

[49] Other surrounding circumstances – The Applicant asks the Court to draw an adverse inference from the absence of any actual confusion between its mark and the Respondent’s mark. In *Mattel* at para 55, the Supreme Court said that such an inference may be drawn in circumstances where evidence of actual confusion “would readily be available if the allegation of likely confusion was justified”.

[50] In this case it is appropriate to make such an adverse inference. The evidence shows that the marks have co-existed in Canada for almost their entire histories. The parties have a comparable number of retail outlets that overlap geographically; the Respondent had 86 stores in 2009, while the Applicant has about 50 boutiques in 2014. Furthermore, there is no evidence that

any consumer in the marketplace has ever been confused between the Applicant's services and wares and those of the Respondent or any third parties. Therefore, in the absence of any evidence that any actual consumer has been confused by the "PLANET" mark, I infer that a casual consumer would not be so confused.

[51] The Applicant also argued that it is relevant that its original mark was applied for in 1989 and registered in 1991, several years before the Respondent began using its "URBAN PLANET" mark. The fact that the Respondent received its mark in 2005 suggests, according to the Applicant, that the Registrar did not consider the marks to be confusing at that time and they should not be found confusing now. Previous findings of the Registrar can be a relevant surrounding circumstance, although they do not bind the Board or this Court (*Masterpiece* at para 112).

[52] In view of the foregoing, I am convinced that a casual consumer somewhat in a hurry would not likely infer that the wares and services provided under the "PLANET" mark are supplied or performed by the same person who uses the "URBAN PLANET" mark. The two marks are not confusing, and, hence, the Respondent's grounds of opposition based on paragraph 12(1)(d) and section 16(1) of the Act fail.

D. *Is the "PLANET" mark distinctive?*

[53] Paragraph 38(2)(d) of the Act provides that a trade-mark can be opposed on the ground that it is not distinctive. Section 2 of the Act defines "distinctive" as follows:

2. In this Act,

2. Les définitions qui suivent s'appliquent à la présente loi.

...

[...]

“distinctive”, in relation to a trade-mark, means a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them;

« distinctive » Relativement à une marque de commerce, celle qui distingue véritablement les marchandises ou services en liaison avec lesquels elle est employée par son propriétaire, des marchandises ou services d'autres propriétaires, ou qui est adaptée à les distinguer ainsi.

[54] Non-distinctiveness is assessed as of the date the statement of opposition was filed (see: *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185 at para 25, 34 CPR (4th 317). In this case, the Respondent's first Statement of Opposition was filed on June 30, 2011.

[55] In its written submissions to the Board, the Respondent argued that, since Planet Fashions Limited had owned the mark for 10 years before assigning it to Jacques Vert PLC (the predecessor in name to the Applicant), the mark was not distinctive of the Applicant but, rather, distinctive of Planet Fashions Limited. The Board, however, correctly dismissed this argument on the basis that the Applicant's application had been properly amended to include Planet Fashions Limited as a predecessor-in-title to the Applicant.

[56] The only reason that the Board found “PLANET” non-distinctive was because it determined that “PLANET” was confusing with “URBAN PLANET”. Given the new evidence

now before the Court and my reasons above, I find that the Applicant's mark is distinctive and reject this ground of opposition raised by the Respondent.

E. *Is it necessary to assess the grounds of opposition dismissed by the Board?*

[57] I agree with the Applicant that, since no counter-appeal has been filed and the Respondent did not participate in the appeal, the paragraph 30(b) grounds of opposition which were dismissed by the Board should not be disturbed by this Court.

VI. Conclusion

[58] Although the Applicant initially asked for its costs in its Notice of Application, no such request was made by the Applicant at the hearing of this matter and none were requested in its Memorandum of Fact and Law. Counsel for the Applicant stated she would be satisfied with an order from the Court along the lines of paragraph 102 of the Applicant's Memorandum (where, incidentally, there is no request for costs).

[59] For the reasons stated above, therefore, the appeal is allowed and the extension of the Applicant's trade-mark TMA 387,969 requested by the Applicant in application serial no. 641,981(1) should be allowed. There will be no order as to costs.

JUDGMENT

THIS COURT'S JUDGMENT is that:

1. the appeal is allowed;
2. Trade-mark application serial no. 641,981(1) is returned to the Canadian Intellectual Property Office for further processing; and
3. no costs are allowed.

"Keith M. Boswell"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1174-14

STYLE OF CAUSE: JACQUES VERT GROUP LIMITED v YM INC.
(SALES)

PLACE OF HEARING: OTTAWA, ONTARIO

DATE OF HEARING: AUGUST 26, 2014

JUDGMENT AND REASONS: BOSWELL J.

DATED: DECEMBER 19, 2014

APPEARANCES:

Ms. Adele Finlayson

FOR THE APPLICANT

SOLICITORS OF RECORD:

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FOR THE APPLICANT

Not Represented

FOR THE RESPONDENT