

Federal Court



Cour fédérale

**Date: 20160324**

**Docket: T-1380-13**

**Citation: 2016 FC 347**

**Montréal, Quebec, March 24, 2016**

**PRESENT: The Honourable Madam Justice St-Louis**

**BETWEEN:**

**WENGER S.A., GROUP III INTERNATIONAL  
LTD., AND HOLIDAY GROUP INC.**

**Applicants**

**and**

**TRAVELWAY GROUP  
INTERNATIONAL INC.**

**Respondent**

**JUDGMENT AND REASONS**

I. Overview

[1] The applicants, Wenger S.A. [Wenger], Group III International Ltd. [Group III], and Holiday Group Inc. [Holiday] filed an application before this Court seeking (1) a declaration that the respondent, Travelway Group International Inc. [Travelway] has infringed the Wenger Trade-marks [Wenger Marks], (2) a permanent injunction restraining Travelway from infringing

the Wenger Marks, (3) an order expunging registration numbers TMA740206 and TMA740200 from the trade-marks register, (4) an order requiring Travelway to destroy or to deliver to the applicants all products marked with any mark similar to the Wenger Marks, in its possession, power or control, (5) an order for the payment of damages and for aggravated, punitive and exemplary damages, and (6) costs on the highest scale.

[2] As per their submissions, the applicants seek the aid of the Court and the shelter of the *Trade-marks Act*, RSC 1985, c T-13 [the Act] to protect the Wenger Cross Logo, hereinafter described, and brand against what it considers Travelway's infringing, deceptive and unfair actions. In essence, they submit that since 2008, and particularly since 2012, Travelway has engaged in a deliberate and planned scheme to unfairly hijack the reputation of Wenger's Cross Logo, and claim it for itself.

[3] Travelway contends on the contrary that its trade-marks have been registered since 2009, and that the applicants had not objected to their use for at least two years after they first appeared. It submits, in essence, that it is legitimately using its trade-marks under the shield of the registrations it obtained, and that the applicants have not met their burden to show that a likelihood of confusion exists.

[4] For the reasons set out below, this application will be dismissed.

## II. Background

### A. *The parties*

(1) The applicants

[5] Holiday is Canada's largest luggage and soft bag supplier, employing over 150 people and selling its wares across Canada in over 4,000 points of sale. Group International has been in the business of designing, manufacturing and distributing luggage and bags for nearly thirty years, and is the master global licensee of the Wenger Marks in relation to luggage and bags.

[6] Wenger is a Swiss company who, over 100 years ago, received a contract from the Swiss army to produce multi-function knives for its soldiers. Those knives became famous and known as the "Swiss Army Knives", and particularly, as the "Genuine Swiss Army Knife".

[7] At least as early as the 1970s, Wenger adopted a logo comprised of a cross in a rounded quadrilateral and surrounded by an inlaid border [the Wenger Cross Logo]. The Wenger Cross Logo is typically presented featuring a white or metallic cross and border, set against a black or red background.



[8] Wenger owns a number of trade-marks in Canada of which three are registered in association with luggage and various kinds of bags and feature the Wenger Cross Logo [the Wenger Cross Luggage Marks]. These three marks are the ones at issue in these proceedings and they are the following.



[9] It is undisputed that the applicants have continuously used the Wenger Cross Luggage Marks throughout Canada, on and in association with luggage and bags, since 2003. They were registered at different dates from 2007 to 2012.

[10] In addition, Wenger also owns and uses various unregistered marks in Canada, including the word marks "SWISSGEAR" and "From the maker of the Genuine Swiss Army Knife".

(2) The respondent

[11] Travelway was founded in the late 1970s. It mainly manufactures and distributes luggage and travel-related products, both under its own labels and as a licensee for others.

[12] In 2008, Travelway became involved in what it described as a strategic alliance with the Swiss company World Connect AG [World Connect] whereby it agreed to assist World Connect in designing products for its "Swiss Travel Products" brand, which is a registered trade-mark in Canada under the name of World Connect. It developed two new logos: the first, known as the "S in Cross", and the second, known as the "S in Cross on Triangle".

[13] The "S in Cross" features a rounded square, in the center of a cross, and an "S" in that round square. It has no contour.



[14] The “S in Cross on Triangle” represents the “S in Cross” featured in white against a greyscale-background with a surrounding darker border, in the form of a rounded triangle.



[15] Travelway has used these logos since 2009. In December 2008, its trade-mark applications were published in the Trade-marks Journal, and in April and May 2009, they were registered (TMA 740206 and TMA 740200). These trade-marks were not challenged.

B. *Relevant facts*

[16] In February 2012, Travelway allegedly modified the logos appearing on its luggage and bags. Most notably, the prominent “S” feature was altered making the “S” difficult to see, this being referred to as the “Disappearing S” logo, or it was eliminated, this being referred to as the “Missing S” logo.



[17] The applicants had not challenged Travelway's trade-mark registrations, but this change in Travelway's logos prompted them to seek the protection of the Court.

### III. Issues

[18] As per the representations of the parties, this matter raises the following issues:

1. Is Holiday a proper party in this case?
2. Is there a likelihood of confusion among consumers between Travelway's and Wenger's luggage wares such that Travelway has infringed the Wenger Cross Luggage Marks, in contravention to section 20 of the Act?
3. Has Travelway passed off its wares as and for those of the applicants, in contravention to section 7 of the Act?
4. Are the two Travelway registered trade-marks valid and enforceable?
5. What are the proper reliefs?

### IV. Submissions of the Parties

#### A. *Applicants' submissions*

[19] The applicants submit that (1) Holiday is a valid party to these proceedings, (2) Travelway infringes the Wenger Cross Luggage Marks through its use of confusing marks,

contrary to section 20 of the Act, (3) Travelway has passed off its wares as and for the applicants', contrary to section 7(c) of the Act, and (4) the registration of Travelway's marks is invalid, pursuant to section 18 of the Act.

[20] The applicants believe the appropriate reliefs to be a permanent injunction restraining Travelway from using its registered and non-registered trade-marks, a declaration of invalidity of the registered trade-marks, the expungement of the registered trade-marks, and damages.

[21] In support of their Application, the applicants tendered the affidavits of Mr. Raymond Durocher, president of Holiday, Dr. Ruth Corbin of CorbinPartners Inc., and Ms. Keri Blackburn, and the exhibits thereto.

(1) Holiday is a proper party to these proceedings

[22] The applicants assert that Holiday is an "interested person" as per section 53.2 of the Act (reproduced in Annex), as the definition set out in section 2 of the Act is not limited to the holders or the owners of a trade-mark, but quite the contrary, is intentionally broader, and includes Holiday as it may be affected or reasonably apprehend that it will be. The applicants rely on Mr. Durocher's affidavit, on clause 3 of the distribution contract, and on the fact that Holiday pays for the Wenger Marks, that it invested, and holds significant interest as Wenger's eyes and ears in Canada. In essence, the applicants submit the distributor, Holiday, shares in the reputation and goodwill, has an interest, is involved, and meets the test set forth in the relevant case law, namely *Natural Waters of Viti v CEO International Holdings Inc*, 190 FTR 300 at para 19 [*Natural Waters*] and *Osiris Inc v International Edge Inc*, 2009 OJ no 3916 at para 28

[*Osiris*]. The applicants distinguish this case law as being one in which the party consisted of sales agents, and were not involved whereas Holiday is not merely a sales agent, and is involved.

(2) There is confusion in that Travelway infringes the Wenger Cross Luggage Marks

[23] Wenger submits that Travelway infringes its trade-marks as both its registered and non-registered marks bear a high degree of resemblance to Wenger's Cross Luggage Marks using the Cross Logo, and that the test for confusion is thus satisfied.

(a) *Legal test for confusion*

[24] The applicants submit that the test for confusion under the Act is settled. Whether a trade-mark is confusing with another 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". It is not necessary that actual confusion be proven; a likelihood of confusion is enough (*Veuve Clicquot Ponsardin v Boutique Clicquot Ltee*, [2006] 1 SCR 824 [*Veuve Clicquot*] at para 20).

[25] Subsection 6(5) of the Act (reproduced in Annex) enumerates the factors that must be considered in a confusion analysis between one trade-mark and another. The analysis usually begins with an assessment of the degree of resemblance. If the trade-marks do not resemble each other, it is unlikely that the other factors would lead to a finding of likelihood or confusion. The



other factors become significant once the threshold of similarity has been established (*Masterpiece Inc v Alavida Lifestyles Inc*, [2011] 2 SCR 387 [*Masterpiece*] at para 49).

(b) *Application of the test*

[26] The applicants submit that Travelway's marks do confuse the "casual consumer somewhat in a hurry" by (i) the degree of resemblance between Travelway's and Wenger's trade-marks, (ii) the inherent distinctiveness of Wenger's trade-marks and the extent to which they have become known, (iii) the length of time the trade-marks have been known, (iv) the nature of the wares, and (v) the nature of the trade.

(i) The degree of resemblance between Travelway's and Wenger's trade-marks

[27] Resemblance is defined as the quality of being either like or similar. The term "degree of resemblance" under section 6(5) of the Act implies that likelihood of confusion does not arise exclusively from identical trade-marks. Rather, it recognizes that marks with some differences may still result in likely confusion (*Masterpiece*, at para 62).

[28] The applicants submit that the Court must perform a resemblance analysis for each of the marks. The dominant feature of each of Wenger Cross Luggage Marks at issue is the Cross Logo, which is common to all the marks. Thus, the analysis need only be performed by reference to the Cross Logo.

[29] The applicants submit that all of the Travelway trade-marks bear a high degree of resemblance to each of the Wenger Cross Luggage Marks using the Cross Logo. The degree of resemblance is progressively more intense, from the “S in Cross” mark to the “Missing S” one used on Travelway’s zipper pulls.

[30] The applicants submit that Travelway’s “S in Cross” mark closely resembles, in the mind of a consumer, Wenger’s Cross Logo. In each one, the cross, which is of similar style and proportion, is the dominant feature.

[31] Travelway’s “S in Cross on Triangle” mark resembles even more closely the Cross Logo, since it features the same cross shape as the “S in Cross” mark, and since the cross is set on a round edged, shield-type background with a border, just like Wenger’s Cross Logo.

[32] The “Disappearing S” has been used on luggage and bags since 2012. Its cross is narrower and longer than the one used in the registered marks, and its shape closer to that of the Wenger Cross Logo although the shape of the triangle background is less pronounced, the border is metallic and identical in tone to the cross and the S is difficult or impossible to see.

[33] As for the “Missing S” logo, it has been used on zipper pulls of luggage and bags since 2012 as well. The applicants contend that it is effectively identical to Wenger’s Cross Logo. Both feature a cross with no other distinguishing features against a background plate with rounded corners and a contrasting colour.

- (ii) The inherent distinctiveness of Wenger's trade-marks and the extent to which they have become known

[34] Inherent distinctiveness under paragraph 6(5)(a) of the Act is concerned both with the inherent distinctiveness of the mark, and its acquired distinctiveness. Marks are inherently distinctive when nothing about them refers the consumer to a multitude of sources. Where a mark does not have inherent distinctiveness, it may still acquire distinctiveness through continual use in the marketplace. To establish this acquired distinctiveness, it must be shown that the mark has become known to consumers as originating from one particular source (*Pink Panther Beauty Corp v United Artists Corp*, [1998] FCJ No 441 at paras 23-24).

[35] The applicants submit that the Wenger Cross Luggage Marks have acquired distinctiveness through continuous use in the luggage and bag market in Canada since 2003. Holiday has sold over five million units of Wenger luggage wares since 2003, and the Cross Logo has become well known and recognized across Canada. Holiday makes substantial investments every year in the marketing and promotion of its Wenger luggage wares, and Wenger Cross Luggage Marks are thus known to consumers as a unique identifier of luggage and bags emanating from Wenger and continuing the Swiss Army Knife tradition.

[36] According to the applicants, the Travelway marks are not distinct, but very similar or nearly identical to the Cross Logo and do not distinguish the Travelway from the Wenger luggage wares.

- (iii) The length of time the trade-marks have been known

[37] The applicants submit that the Cross Logo was first used by Wenger in the 1970s and was first introduced in Canada on luggage and bags in 2003. In the years before Travelway luggage wares entered the Canadian market, Holiday sold countless Wenger luggage wares bearing the Cross Logo.

(iv) The nature of the wares

[38] The applicants submit that the registration particulars show that the parties use their respective logos in association with identical products namely, luggage, backpacks, briefcases, computer cases, luggage tags, umbrellas and other similar wares. Because of Travelway's infringement of Wenger's trade-marks, it is not just the general categories of wares that are identical; the products themselves are nearly identical in the mind of an ordinary consumer. According to the applicants, the Travelway luggage wares replicate the functionality and design features of many Wenger luggage wares.

(v) The nature of the trade

[39] The applicants submit that Holiday and Travelway are engaged in identical trade using the same distribution channels for their luggage products and have the same consumer purchase points, both retail and internet. The Wenger and the Travelway luggage wares are found in the same retail stores (for example, Costco and Bentley); they appear side-by-side in store displays, and they turn up on the same internet search and e-commerce pages.

(c) *Evidence of actual confusion*

[40] The applicants have presented evidence of confusion in the form of affidavits by Mr. Raymond Durocher, president of Holiday, and Dr. Ruth Corbin, who have both been cross examined. Mr. Durocher testified namely to report three (3) instances where there was evidence of actual confusion in the marketplace between the Travelway and the Wenger luggage wares, namely mistakes in two Canadian Tire flyers, in June 2012 and in January 2014, and in one Walmart flyer in August 2013.

[41] Dr. Corbin testified in relation to the mystery shopping study conducted by the CorbinPartners firm to assess the likelihood that luggage salespeople would confuse the Wenger luggage wares with the Travelway ones. Dr. Corbin's study found that 51% of luggage salespeople did confuse Travelway and Wenger luggage wares, and that the flyers are a potential source of "transmitted confusion" as they risk confusing as many consumers as they reach.

[42] In her affidavit, Dr. Corbin asserts that the study demonstrates a relatively high likelihood that salespeople will confuse the two brands, based on the branding indicia of Swiss Travel Products. She considers that evidence noteworthy because (1) luggage salespeople have specialized knowledge and one would anticipate a lower level of confusion among them as compared to ordinary customers, and (2) salespeople's confusion has the potential to be transmitted to hundreds of consumers each day.

(d) *Conclusion on confusion and infringement*

[43] The applicants remind the Court that, although useful, the expert evidence or survey is not necessary and that it falls upon the Court to evaluate the likelihood of confusion, i.e. if the

“casual consumer somewhat in a hurry” who sees the Travelway luggage wares would likely think that they are from the same source as the Wenger ones.

[44] However, they assert there is not only evidence of likelihood of confusion, but also of multiple instances of actual confusion. In *Canada Post Corp v Paxton Developments Inc* (2000), 198 FTR 72, this Court relied on survey information indicating that 9% of those surveyed were confused as sufficient evidence of actual confusion by a significant number of consumers.

[45] They contend that Wenger has the right to exclusive use of the Wenger Cross Luggage Marks under sections 19 and 20 of the Act (both reproduced in Annex), and Travelway has infringed that right through its use of confusing marks.

(3) Travelway has passed off its wares as and for the applicants’, contrary to section 7 of the Act

(a) *Legal test for passing off*

[46] The applicants state that it is well recognized in trade-mark law that “nobody has the right to represent his goods as the goods of somebody else” (*AG Spalding Brothers v AW Gamage Ltd* (1915), [1914-15] All ER Rep 147 at 149 (HL)). The common law and section 7 of the Act (reproduced in Annex) prohibit any person from passing off its wares as and for those of another.

[47] The applicants contend having established the necessary three elements to make out a case of passing off: (i) the goodwill or reputation attached to the applicants’ goods in the mind of

the purchasing public; (ii) Travelway has made a representation to the public, and (iii) the applicants suffered or are likely to suffer damage as a result of the Travelway's misrepresentation (*Ciba-Geigy Ltd v Apotex Inc*, [1992] 3 SCR 120 [*Ciba-Geigy*] at para 33).

- (i) The goodwill or reputation attached to the applicants' goods in the mind of the purchasing public

[48] The applicants rely on Dr. Corbin's affidavit to establish that their marks and wares have substantial goodwill and reputation in the mind of the purchasing public. Dr. Corbin explains that famous or well-known brands have acquired an embedded trust, a cachet, that allows their owners to add a price premium and to generate a higher level of sales from a given marketing investment than lesser known brands would generate.

[49] The Wenger Cross Luggage Marks have been used on luggage and bags since 2003 and are readily identifiable. They have goodwill in their own right, amplified through the association of the Cross Logo with the legacy of Wenger's Swiss Army Knives.

- (ii) Travelway has made a representation to the public

[50] The applicants submit they need not show any intentional misconduct or deliberate deceitful acts by Travelway. The mere adoption and use by Travelway of a mark or name that is likely to be confused with Wenger's is sufficient (*Molson Canada v Oland Breweries Ltd*, [2001] OJ no 431 at paras 20-24). However, Travelway's false claims of "Swissness", the "Disappearing S" logo on its bags and the "Missing S" logo on its zipper pulls are all intentional efforts to deceive the public. By deliberately making "Swiss" claims about its products and using

logos that are similar to the Wenger Cross Luggage Marks, Travelway is misrepresenting its wares, and has done so in full knowledge of the Wenger Marks as used on the same kind of wares.

- (iii) The applicants suffered or are likely to suffer damage as a result of Travelway's misrepresentation

[51] The applicants must show that, as a result of the misrepresentation, they have suffered or are likely to suffer damage. Where the defendant is in direct competition with the plaintiff, damage can be established by showing a likely loss of sales to a competitor. This criterion can also be satisfied where the misrepresentation results in a plaintiff's loss of control over the use of its name or mark or in an obstacle to a plaintiff's use of its own name or mark (*Orkin Exterminating Co Inc v Pestco Co of Canada*, [1985] OJ no 2536 at para 37). The applicants believe both forms of damage are established in this case.

[52] The applicants believe that damage to goodwill and position in the market, through direct loss of sales, can be inferred from evidence that the infringer is a direct competitor in the same markets and uses the same distribution channels. Confusion on the part of retailers and salespersons, transmitted confusion to customers, and a customer's own confusion will likely lead to purchases of Travelway luggage wares instead of the Wenger luggage wares. Damage will likely also arise from harm to the goodwill of the Wenger Cross Luggage Marks, and in this regard, Dr. Corbin confirmed and explained that loss of trust in a brand and image is a matter of perception, and can be permanent.



[53] Hence, Travelway's intentionally varied uses of its marks that omit or obscure the "S" and its use of those marks in association with false claims of Swissness are a deliberate effort to affect the applicants' control over the Wenger Cross Luggage Marks. One particularly notable aspect of Travelway's conduct is its persistent use of zipper pulls with no "S" in the cross logo, which are a direct infringement of the Wenger Cross Luggage Marks. The fact that elsewhere on the product there might be a version of the Travelway registered marks does not absolve the use of another directly infringing mark on the same product.

[54] In view of all the above evidence, the applicants believe that Travelway has passed off its wares as theirs, in an effort to obtain financial gain to the applicants' considerable detriment.

(4) The registration of Travelway's marks is invalid

[55] The applicants submit that the registration of Travelway's Cross marks are invalid under subsection 18(1) of the Act (reproduced in Annex) because they are confusing, and not distinctive of Travelway's wares. Travelway was thus not entitled under subsection 16(1) of the Act (reproduced in Annex) to secure their registration. As a result, the registration cannot act as a defence to Travelway's infringement and passing off. The applicants submit that the registrations of the Travelway Cross marks can be declared invalid on the basis that Travelway has abused the rights of registration. It obtained the rights of registration on representation that it would use the "S in Cross" and the "S in Cross on Triangle" marks, but used distortions of their marks and in doing so, infringed the Wenger Cross Luggage Marks.

(5) The appropriate reliefs

[56] The applicants seek (a) a permanent injunction against Travelway, (b) a declaration of invalidity and expungement and (c) damages.

(a) *Permanent injunction*

[57] The applicants seek a permanent injunction against Travelway restraining it from using, directly, indirectly or via licence, the Travelway Cross marks and their common law equivalent, pursuant to sections 10, 11 and 53.2 of the Act (all reproduced in Annex).

(b) *Declaration of invalidity and expungement*

[58] The applicants seek a declaration of invalidity and an order that registration numbers TMA740206 and TMA740200 be struck from the Trade-marks register pursuant to subsection 57(1) of the Act (reproduced in Annex), since the registrations are invalid.

(c) *Damages*

[59] The applicants submit that section 53.2 of the Act allows a successful plaintiff to seek damages or an accounting of profits as remedies for trade-mark infringement. Compensation for trade-mark infringement is based on two principles: (1) restoration of the affected party into the same position it would have been but for the infringement and (2) compensation by way of price or hire for the use made of the affected party's property (*Electric Chain Co of Canada Ltd v Art Metal Works Inc et al*, [1933] SCR 581 at 590).

[60] The applicants ask that if the Court finds Travelway liable for infringement, it directs a reference, under Rule 153 of the *Federal Courts Rules*, SOR/98-106 [the Rules], to assess the applicants' damages, Travelway's profits and the compensation due to the applicants.

[61] The applicants also seek punitive damages, but want this question to be made an issue for the referee. The applicants believe that punitive damages are appropriate in this case because Travelway's conduct was part of a scheme to confuse consumers, to create mischief in the marketplace and to divert actual revenue, sales and goodwill to Travelway.

B. *Travelway's submissions*

[62] Travelway submits that (1) Holiday is not a proper party to the proceedings, (2) the Travelway marks are valid and used, (3) no evidence of actual, likely or self-evident confusion exists, (4) there is no infringement, (5) there is no passing off and (6) there is no evidence of damage.

[63] Travelway requests that the Court declare their marks valid and enforceable and dismiss the applicants' application.

[64] In support of its arguments, Travelway tendered affidavits and exhibits from Mr. Bruce Shadeed, president of Travelway, and from Mr. Christian Bourque, an expert in the field of surveys.

(1) Holiday is not a proper party to the proceedings

[65] Travelway submits that section 53.2 of the Act mentions that “any interested person” can file an application for the court to grant relief for any act done contrary to the Act, but in order to obtain a relief, an “interested person” must necessarily have an interest in the trade-mark or the indicia sought to be protected through the action for infringement or passing off (*Osiris Inc v International Edge Inc*, 2009 CanLII 50224 (ON SC) at paras 21-29). Group III is a licensee of Wenger, but has no right to sub-license the Wenger Marks. It has the possibility to enter into a distribution agreement with a third party, which it did with Holiday, but does not have the right to sub-license the Wenger Marks to Holiday.

[66] Travelway relies on the confidential agreement (filed under seal) to contend that Holiday is not a licensee of Group III (section 6.3 of the Distributor Agreement). The applicants’ statement that Group III has granted Holiday the exclusive right to use the Wenger Marks with Wenger’s consent within Canada is false and misleading. On the contrary, Holiday is the distributor of the products made for or by Group III, the distribution rights do not include rights to the trade-marks, and Holiday is therefore not an interested party to these proceedings.

[67] Travelway also submits that a trade-mark is that of the manufacturer, not that of the distributor; a distributor is not a proper party to a passing off action based on the fact that a distributor does not share the reputation and goodwill of a trade-mark owner (*Natural Waters* at paras 11-15).

[68] Travelway portrays that the applicants submitted only Mr. Durocher’s testimony and chose not to submit any from executives of either Wenger or Group III. Travelway contends that

Mr. Durocher is not qualified to speak of the use of the other applicants' marks in Canada, nor of the impact of the alleged Travelway's actions on the other applicants' reputation and goodwill.

[69] In the present case, Travelway takes issue with the fact that Mr. Durocher confirmed in his cross-examination that representatives of Group III and Wenger are "alive and well", and could have provided first-hand knowledge on issues such as the alleged goodwill and reputation of the Wenger Marks, as well as the alleged confusion. Pursuant to rule 81(2) of the Rules, an adverse inference must be drawn from the failure of the applicants to provide such evidence.

(2) Travelway marks are valid and used

[70] Under section 19 of the Act, the registration of a trade-mark affords the person identified as its owner to exclusively use the trade-mark across Canada. A registration affords a presumption of validity and the person contesting the registrations bears the burden to prove that the marks should not have been registered in the first place.

(a) *Registration of the Travelway marks in 2009*

[71] The Travelway marks were registered in 2009, without any objection from the applicants, who objected to the use of the marks only in late November 2012, three years after their registration.

(b) *Travelway's use of its trade-marks*

[72] Travelway submits that it always includes its name on hang tags affixed to each piece of luggage, that Holiday recognized that the majority of Travelway's products are identified by labels, warranty leaflets and country of origin labels as well as an indicator of the manufacturer of the source, and that the images produced by the applicants in their proceedings and used in their survey are misleading since the markings, tickets, labels and warranty attached to the products are not shown in the pictures.

[73] As for the "Missing S" and the "Disappearing S" logos, Travelway contends that, in September 2011 and in May 2012, it experimented with different zipper pulls and plates, all bearing the registered Travelway marks. For technical reasons, the "S" of the Travelway marks had to be etched onto the cross of the enamel logo affixed to the luggage. Since the enamel logo on the zipper pulls was too small, no "S" could be applied. As a result of a letter received by Walmart in November 2012, Travelway modified once more the logo button, but was still faced with the same technical constraints regarding the zipper pulls.

[74] In spite of these experiments, Travelway asserts its marks were at all times used as registered; the changes constitute inconsequential variations. "The law of trade-marks does not require the maintaining of absolute identity of marks in order to avoid abandonment, nor does it look to miniscule differences to catch out a registered trade mark owner acting in good faith and in response to fashion and other trends. It demands only such identity as maintains recognizability and avoids confusion on the part of unaware purchasers" (*Promafil Canada Ltée v Munsingwear Inc*, [1992] FCJ No 611 at p 11).

[75] Travelway submits that the minimal changes made for practical reasons on their zipper pulls cannot be construed as revamping their trade-marks which would confuse the unwary consumer.

(3) No evidence of actual, likely or self-evident confusion

(a) *Legal test for confusion*

[76] Travelway agrees with the applicants that subsection 6(5) of the Act serves as the basis for assessing confusion, for both infringement and passing off. Travelway also agrees with the applicants that the Court must place itself in the shoes of the average consumer, somewhat in a hurry with an imperfect recollection of the trade-marks [*Veuve Clicquot*, at para 20], but it disagrees with the applicants in that there is no confusion.

(b) *Application of the test*

(i) Resemblance between Travelway's and Wenger's trade-marks

[77] Travelway submits that its and Wenger's trade-marks are different. Although no side by side comparison of trade-marks must be done, the overall visuals of the Wenger Marks and the Travelway marks leave entirely different impressions, especially considering the number of other cross logos registered and used in Canada.

(ii) The inherent distinctiveness of Wenger's trade-marks and the extent to which they have become known

[78] Travelway submits that evidence of fame regarding their trade-marks is absent from the applicants' record, and that the Canadian market is inundated with trade-marks that have the same "look and feel" as the Wenger Marks. The distinctive character of the Wenger Marks is diluted and the protection that may be offered to them is therefore narrow.

[79] Travelway submits that Wenger Marks possess a low level of distinctiveness. The indicia over which the applicants claim exclusivity are commonly used as part of a logo or trade-mark. There exist a number of products bearing a cross as part of a logo or trade-mark such as Tissot, Victorinox, Swatch, Strellon; the colour red or black, or chrome, as a background or accent colour for a logo or trade-mark is also very commonly used as a marketing tool in the travel gear industry as is grey a common colour for luggage lining, and there are several trade-marks registered in Canada using a cross, the word "Swiss" or a combination of these for products related to travel bags and accessories.

(iii) The length of time the trade-marks have been known

[80] Travelway admits that the Wenger Marks have been used in Canada for a longer period of time (since 2003 for the Wenger Marks and since 2009 for the Travelway marks). However, the Court must also consider the length of time during which the trade-marks also co-existed on the Canadian market, during which there was no objection to the use of the Travelway marks, namely the period from 2009 to 2012.

(iv) The nature of the wares



[81] Travelway acknowledges that the nature of the wares is the same.

(v) The nature of the trade

[82] Travelway acknowledges that the nature of the trade is the same.

(c) *Survey evidence is unreliable and unnecessary*

[83] Travelway submits that four requirements must be met before expert evidence is accepted in a trial: (a) relevance; (b) necessity in assisting the trier of fact; (c) the absence of any exclusionary rule; and (d) a properly qualified expert (*Masterpiece*, at para 75), and that Dr. Corbin's affidavit fails to fulfill these requirements. More specifically, Dr. Corbin's affidavit is (i) irrelevant, (ii) unnecessary and (iii) based on second-hand information.

(i) Relevance

[84] Travelway points out that the answers to Dr. Corbin's survey were vague, that the surveyed population was incomplete and that the only criterion of selection of the interviewed sales associates was their availability, not their knowledge in luggage. Moreover, there is no information as to whether the surveyed sales associates were specifically "luggage salespeople" and there is no evidence that the surveyed population is representative of the average Canadian consumer of luggage and travel products. An average person is not the relevant person in the assessment of confusion and opinions of people who may never have contemplated buying these particular products are irrelevant (*McDonald's Corp v Coffee Hut Stores Ltd*, (1994) 76 FTR 281

at paras 36-37). Travelway submits that by surveying the wrong public, the survey is irrelevant and does not meet the first prerequisite of relevance.

(ii) Necessity

[85] Travelway submits that, in assessing necessity, judges should use their common sense in considering whether the casual consumer would likely be confused. The judge has the ability to put himself/herself in the position of the average person purchasing the goods and expert evidence is unnecessary (*Masterpiece*, at para 92). Survey evidence should thus be applied with caution, as it has the potential to provide empirical evidence which demonstrates consumer reactions in the marketplace (*Masterpiece*, at 93). However such empirical evidence is not provided in the Corbin affidavit and survey; no evidence of consumer reactions was provided. This survey does not deal with possibilities of confusion of consumers; the study is lacking information and does not meet the prerequisite of necessity.

(iii) Second-hand information

[86] Travelway submits that the courts have disregarded surveys presented as evidence in the form of affidavits sworn by representatives of the company retained to supervise the study, and not the persons who actually conducted the interviews (*Joseph E. Seagram & Sons Ltd v Canada (Registrar of Trade Marks)* (1990), 38 FTR 96 at paras 45-48). Dr. Corbin did not interview any of the surveyed salespeople, nor did she design, conduct or supervise the study. The survey was conducted by an external field service company, Market Plus Inc., and was directed and analyzed by Mr. Jon Purther, another representative of CorbinPartners Inc. No affidavit evidence of

persons with either direct or indirect knowledge of the conducted interviews was provided and Travelway was unable to cross-examine the appropriate witnesses. Travelway submits that considering the several vague open-ended answers given to the questions asked in the survey, and the lack of explanations as to why some sales associates provided the wrong information to customers, such testimony would have been important.

(d) *No actual confusion*

[87] Travelway submits that there is no evidence of actual confusion between Wenger's and Travelway's trade-marks despite years of concurrent use. Mr. Durocher has alleged multiple instances of confusion, but not a single one has been documented, even after the proceedings were initiated; hence, allegations of confusion by customers in the context of defective product returns or advertising are mere speculations. No witness was called upon to explain erroneous product returns or erroneous product identification in advertisements.

[88] Travelway believes that had such confusion existed, it would have been shown with proper evidence. If confusion has not occurred in all of the years of concurrent use, the Court may draw an adverse inference as to the likelihood of confusion (*Christian Dior SA v Dion Neckwear Ltd*, 2002 FCA 229 at para 19).

(e) *No self-evident confusion*

[89] Travelway believes that Wenger's and Travelway's marks are not identical and do not leave the same impression. Some of the notable differences are the letter "S" in the cross (except on the zipper pulls), the relative proportions and the overall shape of the trade-mark design.

[90] Travelway submits that the red colour for background and the colour white for the cross are irrelevant as Wenger has not claimed a colour combination as a feature of its registered trade-marks. Travelway also submits that the context of the use of the trade-mark is particularly relevant in passing off (*Mr Submarine Ltd v Amandista Investments Ltd*, 1987 FCJ 1123).

(f) *Conclusion on confusion and infringement*

[91] Travelway submits that since the Wenger and the Travelway marks are not identical, there can be no finding of infringement under section 19 of the Act. Also, since the applicants failed to discharge their burden of proving actual or likely confusion, there can be no finding of infringement under section 20 of the Act.

(4) No passing off

(a) *Legal test for passing off*

[92] Travelway agrees with the applicants that passing off is prohibited by section 7 of the Act. It adds that this provision has a timing component, in addition to the conduct and confusion component (*Ciba-Geigy*, at para 33). The applicants must prove that confusion was likely at the time Travelway commenced using their marks.

(b) *Travelway has not made a representation to the public*

[93] Travelway submits that the only “Swiss” reference appearing on their products is the “Swiss Travel Products” trade-mark, which it is entitled to use, and that the applicants do not have a monopoly on an ambiguous reference to the Swiss origin of any product. They themselves claim high quality in relation to their products based on Swiss origins, when in fact, the Wenger branded products are manufactured in China. The word “Swiss” cannot be appropriated exclusively by the applicants.

(c) *No evidence of superiority of Swiss origins*

[94] Travelway submits that the applicants have not demonstrated the superiority of Swiss origins in the luggage industry, and that there is no evidence that a consumer would have quality expectations in luggage or bags based on their Swiss origins. Likewise, the applicants have not demonstrated how the alleged misrepresentation regarding the origins of Travelway’s goods and trade-marks would have resulted in any damages, that damages are an essential component of a passing off claim and cannot be presumed.

[95] Travelway submits that their valid and enforceable trade-marks are a complete defence to passing off (*Molson Canada v Oland Breweries Ltd/Brasserie Oland Ltée*, [2002] OJ No 2029 at para 2).

(5) No damages

[96] Travelway submits that the applicants have presented no evidence of damages for either infringement or passing off, nor have they even attempted to quantify them. They have not even elected between damages or profits.

(a) *Reference for damages*

[97] Travelway does not consent to the applicants' request for reference under rule 153 of the Rules. It submits that a party asking for reference must establish that it would minimize costs or that the complexity of the case would be increased unnecessarily if the issues of liability and damages were determined together at trial (*Allstate Ins. Co. of Canada v Grant*, [2000] FCJ No 1024). There is no evidence before the Court that reference is justified. Proof of damages is intrinsically related to liability for infringement and passing off. Travelway believes that the applicants are asking for a bifurcation of issues and submits that it is not available in an application process (*Canadian Supplement Trademark Ltd. v Petrillo*, 2010 FC 421).

[98] Travelway also submits that even if the Court found their trade-marks to be invalid, damages cannot be awarded for the period during which the registration was in effect (*Remo Imports Ltd v Jaguar Cars Ltd*, 2007 FCA 258 at paras 113-114), from April/May 2009 until the date of the final decision on the merits, which would render a reference needless. Moreover, Travelway submits that the applicants had ample opportunity to make their case regarding their damage and failed to do so.

(b) *Punitive damages*

[99] Travelway submits that punitive damages are only awarded in cases of malicious, oppressive and high-handed misconduct. They are also awarded when compensatory damages are not sufficient to remedy the harm suffered (*Gary Gurmukh Sales Ltd v Quality Goods Imd Inc*, 2014 FC 437 at paras 123, 131, 132).

V. Analysis

A. *Holiday as a proper party to the proceedings*

[100] The Court is satisfied that Holiday is an “interested person” as per section 53.2 of the Act, and sides with the applicants in that it may be affected or reasonably apprehend that it will be. The Court is satisfied that Holiday’s role is more than that of a distributor or a sales agent, that it shares in the reputation and goodwill, holds an interest, and is involved, and thus meets the test set forth in the relevant case law, namely *Natural Waters* at para 19 and *Osiris* at para 28.

B. *Is there a likelihood of confusion among consumers between Travelway’s and Wenger’s luggage wares such that Travelway has infringed the Wenger Cross Luggage Marks, in contravention to section 20 of the Act?*

(1) Infringement and the legal test for confusion

[101] Infringement constitutes the unauthorized use of a registered trade-mark on goods of the kind in respect of which the mark was registered. Section 19 grants the owner of a trade-mark exclusive right to its use; it is not in play in this case as the Travelway marks are not identical to the Wenger Cross Logo.

[102] As stated in *Hughes on Trade Marks*, 2nd ed (Toronto: LexisNexis, 2015) at p 891, the ambit of protection granted under section 19 is expanded by section 20, when what is done by another is likely to cause confusion, and the onus rests on the party alleging infringement to establish confusion, hence here on the applicants.

[103] Subsection 6(2) of the Act states that confusion exists where “the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class”.

[104] Moreover, subsection 6(5) of the Act directs that, in determining whether confusion exists, regard shall be given to “all the surrounding circumstances” including but not limited to the five circumstances enumerated in subsection 6(5). As emphasized by the Supreme Court, this list of circumstances is not exhaustive and different circumstances will be given different weight in a context-specific assessment (*Veuve Clicquot*, at para 21 and *Mattel Inc v 3894207 Canada Inc*, 2006 SCC 22 [*Mattel*] at para 73).

[105] Hence, the Supreme Court has confirmed that the test for confusion, 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 mark” (*Veuve Clicquot*, at para 20).



[106] In *Mattel* at para 56, Justice Binnie noted that this consumer must be given some credit to exercise care in different circumstances, being neither a “moron in a hurry” nor a careful and diligent purchaser. Additionally, he or she will be the type of person likely to purchase the wares in question (*Baylor University v Governor and Co of Adventurers Trading into Hudson's Bay* (2000), 8 CPR (4th) 64 (FCA) at para 27; *TLG Canada Corp v Product Source International LLC*, 2014 FC 924 [*TLG Canada*] at para 51).

[107] The Court’s confusion analysis must thus bear these criteria in mind, and evaluate the surrounding circumstances from that perspective. The applicants have insisted that the Court must avoid intellectualizing the analysis.

(2) Factors for confusion – Wenger’s and Travelway’s trade-marks

(a) *The degree of resemblance between Travelway’s and Wenger’s trade-marks*

[108] Case law has established that the degree of resemblance between two trade-marks is generally the most important component of the confusion analysis (*TLG Canada*, at para 58; *McCallum Industries Limited v HJ Heinz, Company Australia Ltd*, 2011 FC 1216 [*McCallum*] at para 44; *Canadian Tire Corporation v Accessoires d’autos nordiques inc*, 2006 FC 1431 at para 32; *Unicast SA v South Asian Broadcasting Corporation Inc*, 2014 FC 295 at para 82). Hence, although it is the last of the criteria enumerated in subsection 6(5) of the Act, it is the one examined first. If the degree of resemblance is insufficient to cause confusion, the Court need not go any further in its analysis.

[109] In considering the degree of resemblance, the Court must compare the marks in their totalities, not dissect them into their constituent elements or lay them side by side to compare and observe similarities or differences among these elements (*McCallum*, at paras 33, 44; *United States Polo Assn v Polo Ralph Lauren Corp* (2000), 9 CPR (4th) 51 at para 18; *Café Cimo Inc v Abruzzo Italian Imports Inc*, 2014 FC 810 at para 34). It is also important to consider each of Travelway's marks against Wenger's Cross Logo since even one confusingly similar mark will invalidate Travelway's registrations (*Masterpiece*, at paras 42-48).

[110] The Court is satisfied that the two registered Travelway trade-marks, the "S in Cross" that has no contour, and the "S in Cross on Triangle", although both bearing a cross, do not leave the same impression nor do they closely resemble the Wenger Cross Logo, and that they are unlikely to create confusion. The "S" in both marks, and the triangular shape in the "S in Cross on Triangle" particularly act as distinguishable elements.

[111] The other two logos, used by Travelway since 2012, hence the "Disappearing S" that minimizes the S, and the "Missing S" that eliminates the S, bear greater resemblance to the Wenger Cross Logo as the cross becomes the dominant element in each logo. The Court is here satisfied that the level of resemblance is sufficient to warrant further analysis, and will thus pursue the confusion analysis with regards to the two non-registered Travelway trade-marks.

- (b) *The inherent distinctiveness of Wenger's trade-marks and the extent to which they have become known*

[112] Where a mark refers to many things or is only descriptive of goods or their geographic region, it will not be considered inherently distinctive and will be given less protection (*TLG Canada*, at paras 59-60). However, distinctiveness is not only inherent, it can also be acquired through continual use in the marketplace, and as Justice Beaudry stated “to establish that distinctiveness has been acquired, it must be shown that the mark has become known to consumers as originating from one particular source” (*Tommy Hilfiger Licensing Inc v Produits de Qualité IMD Inc*, 2005 FC 10 at para 53).

[113] The applicants have understandably not submitted that the Wenger Cross Logo held inherent distinctiveness. It consists of a white cross on a red or black background; it is based on the Swiss flag, and is neither original, nor unique or inventive.

[114] The Court sides with the respondent in that the applicants have not demonstrated that the Wenger Cross Logo acquired distinctiveness through its use in the luggage and bag market since 2003.

[115] The Court considered the fact that millions of Wenger Luggage Wares have been sold since 2003 and that Holiday has invested considerably in the marketing and promotion of its wares, namely through print media placements. However, it cannot conclude as the applicants contend, that the Cross Logo is known to consumers as a unique identifier of luggage and bags emanating from Wenger and continuing the celebrated tradition of the Swiss Army Knife. The Court concludes otherwise, as there exist third parties using a similar trade-mark, a white cross, not the least of which is Victorinox, who also holds a tradition linked to a Swiss Army Knife.

There is no evidence that consumers identify the Wenger Cross Logo uniquely and distinctively as Wenger's.

[116] The Court must thus conclude that consumers are not likely to know the Wenger Cross Logo as originating from one source, i.e. Wenger.

(c) *The length of time the trade-marks have been known*

[117] Length of time not only contributes to showing the acquisition of distinctiveness, discussed above, but as Justice Pinard points out in *McCallum*, at para 41 “the longer trade-marks have co-existed without actual confusion, the harder it will be for the applicant to prove a likelihood of confusion”. The non-registered trade-marks have co-existed since 2012 and, as I will point out below, evidence of actual confusion is quite scarce.

(d) *The nature of the wares*

[118] The parties agree that the nature of their wares is the same.

(e) *The nature of the trade*

[119] The parties agree that the nature of their trade is the same.

(f) *Other surrounding circumstances*

[120] The Court is compelled to point out, when examining surrounding circumstances, that the “Missing S” logo has been used by Travelway exclusively on zipper pulls. Zipper pulls are quite small on luggage and bag wares, and it thus appears unlikely that the average consumer somewhat in a hurry would, in any case, be confused as to the origins of the wares by a logo, distinct of the other ones used on said wares, affixed to the zipper pulls. It appears unlikely that the average consumer somewhat in a hurry would even notice this type of detail.

(3) Evidence of likelihood of confusion

[121] The applicants tendered the affidavit of Dr. Corbin and the results of a mystery shopping survey as evidence of likelihood of confusion. The test for the admissibility of expert evidence was developed in *R v Mohan*, 1994 2 SCR 9 at paras 17-28. The Supreme Court stated that for an expert evidence to be admissible it has to be (i) relevant, (ii) necessary in assisting the trier of fact, (iii) absent of any exclusionary rule, and (iv) a properly qualified expert. This test was applied in the context of a survey evidence for trade-marks in *Masterpiece*, at para 75.

[122] In the present case, Travelway doubts the relevance and the necessity of the survey evidence, as well as the form in which this evidence is introduced, namely a sworn affidavit by Dr. Corbin who neither conducted the interviews nor designed the survey. The Court sides with the respondent and gives no weight to this survey.

(4) Evidence of actual confusion

[123] The applicants asserted that actual confusion has been established by way of mistakes made in retail advertising, by anecdotal evidence of various instances of actual confusion and by Travelway having mistakenly received customer returns of Wenger Luggage Wares.

[124] As for retail advertising, Canadian Tire and Walmart made mistakes in three of their printed flyers, and the evidence of actual confusion lies in the assertion that these flyers are a potential source of “transmitted confusion” because they risk confusing as many consumers as they reach (applicants memorandum, at para 49, referring to Mr. Durocher’s and Dr. Corbin’s affidavits). The Court is satisfied that this does not amount to evidence of “actual” confusion by the consumers.

[125] The other two allegations of actual confusion are indeed anecdotal, have not been recorded and have not been submitted by the person who actually witnessed the alleged confusion, and the Court consequently gives them no weight.

(5) Conclusion on confusion and infringement

[126] With regards to the above reasons, the Court is satisfied that, from the perspective of the average consumer somewhat in a hurry, the Travelway marks as used on its luggage and bags wares are not likely to confuse the consumer and to lead him to conclude that those luggage and bags are manufactured or sold by the same entity as the Wenger luggage and bags.

C. *Has Travelway passed off its wares for those of Wenger’s in contravention of section 7 of the Act?*

(1) Passing off and legal test

[127] The Supreme Court of Canada restated in *Kirkbi AG v Ritvik Holdings Inc*, [2005] 3 SCR 302 at para 66 the test for passing off:

66 Our Court appears to have adopted the tripartite classification in *Ciba-Geigy*. In that case, our Court allowed a passing-off action in respect of the get-up of a prescription drug. Gonthier J. reviewed some of the earlier jurisprudence and stated that claimants had to establish three elements in order to succeed in a passing-off action:

The three necessary components of a passing-off action are thus: the existence of goodwill, deception of the public due to a misrepresentation and actual or potential damage to the plaintiff. [p. 132]

(2) The goodwill or reputation component

[128] The Supreme Court of Canada outlined, in *Kirkbi*, at para 67, that the “claimant must establish goodwill in respect of the distinctiveness of the product (*Ciba-Geigy*, at 132-33; *Oxford Pendaflex Canada Ltd v Korr Marketing Ltd*, [1982] 1 SCR 494, at 504 and 507, per Estey J.)”.

[129] The applicants assert that the Wenger Cross Luggage Marks hold an embedded trust, a cachet that allows their owners to add a price premium and to generate a higher level of sales from a given marketing investment than lesser-known brands would generate, as demonstrated mainly by their sales volume, by the fact that they have been used since 2003, and by the significant royalty Group III and Holiday are willing to pay for their use (at para 90 of their memorandum). The goodwill attached to the Wenger Cross Luggage Wares is allegedly amplified by its association with the Swiss Army Knife legacy.

[130] However, in my view, the interference by third party, namely Victorinox, does dilute the Wenger Cross Luggage Marks' goodwill. The Cross Logo, and possible goodwill attached to it, is not solely Wenger's, and the applicants have tendered no evidence to support another conclusion. Furthermore, there is no evidence that the Wenger Cross Luggage Marks are sold at a premium compared to other luggage and bags. Were they to be sold at a premium, there is no evidence regarding the justification for such a premium, as the volume of sales by itself appears insufficient to confirm the level of goodwill absent some confirmation of the causal link between the sales and said goodwill.

(3) The misrepresentation to the public

[131] In *Kirkbi*, at para 68, the Supreme Court outlined that "The second component is misrepresentation creating confusion in the public. Misrepresentation may be wilful and may thus mean the same thing as deceit but now the doctrine of passing off also covers negligent or careless misrepresentation by the trader" (*Ciba-Geigy*, at 133; *Consumers Distributing Co v Seiko Time Canada Ltd*, [1984] 1 SCR 583 at 601, per Estey J.). The applicants assert that misrepresentation on the part of Travelway rests on its false claims of "Swissness", and on its use of the "Disappearing" and of the "Missing" S logos.

[132] The Court is again satisfied that the average consumer somewhat in a hurry would not likely be confused as to source, said average consumer would not conclude that the Travelway wares originate from the Wenger's source. This conclusion is borne by the observation that the "Missing S" logo is affixed on zipper pulls and is possibly not even visible to the average



consumer in a hurry, and that at least one third party logo interferes in the consumer's mind, that of Victorinox.

(4) Actual or potential damage

[133] The applicants have submitted no evidence of actual damage but alleged having suffered or being likely to suffer damage as the result of the respondents' actions. As the Court is satisfied that the first two criteria have not been met by the applicants, it concludes there is no likelihood of damage.

D. *Validity and use of Travelway's marks*

[134] Travelway's marks are registered and valid. The onus lay on the applicants to prove that the marks should be expunged, and the applicants here have not met this burden.

E. *The appropriate relief*

[135] The Court having concluded that Travelway did not infringe on the Wenger Cross Logo or passed off its wares for those of the applicants, there is no need for relief.

VI. Conclusion

[136] For the reasons mentioned above, this application is dismissed.

**JUDGMENT**

**THIS COURT'S JUDGMENT is that** the application is dismissed with costs.

“Martine St-Louis”

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Judge

## ANNEX

6. (1) For the purposes of this Act, a trade-mark or trade-name is confusing with another trade-mark or trade-name if the use of the first mentioned trade-mark or trade-name would cause confusion with the last mentioned trade-mark or trade-name in the manner and circumstances described in this section.

(2) The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

(3) The use of a trade-mark causes confusion with a trade-name if the use of both the trade-mark and trade-name in the same area would be likely to lead to the inference that the goods or services associated with the trade-mark and those

6. (1) Pour l'application de la présente loi, une marque de commerce ou un nom commercial crée de la confusion avec une autre marque de commerce ou un autre nom commercial si l'emploi de la marque de commerce ou du nom commercial en premier lieu mentionnés cause de la confusion avec la marque de commerce ou le nom commercial en dernier lieu mentionnés, de la manière et dans les circonstances décrites au présent article.

(2) L'emploi d'une marque de commerce crée de la confusion avec une autre marque de commerce lorsque l'emploi des deux marques de commerce dans la même région serait susceptible de faire conclure que les produits liés à ces marques de commerce sont fabriqués, vendus, donnés à bail ou loués, ou que les services liés à ces marques sont loués ou exécutés, par la même personne, que ces produits ou ces services soient ou non de la même catégorie générale.

(3) L'emploi d'une marque de commerce crée de la confusion avec un nom commercial, lorsque l'emploi des deux dans la même région serait susceptible de faire conclure que les produits liés à cette marque et les produits liés à

associated with the business carried on under the trade-name are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

l'entreprise poursuivie sous ce nom sont fabriqués, vendus, donnés à bail ou loués, ou que les services liés à cette marque et les services liés à l'entreprise poursuivie sous ce nom sont loués ou exécutés, par la même personne, que ces produits ou services soient ou non de la même catégorie générale.

(4) The use of a trade-name causes confusion with a trade-mark if the use of both the trade-name and trade-mark in the same area would be likely to lead to the inference that the goods or services associated with the business carried on under the trade-name and those associated with the trade-mark are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

(4) L'emploi d'un nom commercial crée de la confusion avec une marque de commerce, lorsque l'emploi des deux dans la même région serait susceptible de faire conclure que les produits liés à l'entreprise poursuivie sous ce nom et les produits liés à cette marque sont fabriqués, vendus, donnés à bail ou loués, ou que les services liés à l'entreprise poursuivie sous ce nom et les services liés à cette marque sont loués ou exécutés, par la même personne, que ces produits ou services soient ou non de la même catégorie générale.

(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

(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 :

(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;

a) le caractère distinctif inhérent des marques de commerce ou noms commerciaux, et la mesure dans laquelle ils sont devenus connus;

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|--|---|
| (b) the length of time the trade-marks or trade-names have been in use;  | b) la période pendant laquelle les marques de commerce ou noms commerciaux ont été en usage;  |
| (c) the nature of the goods, services or business;   | c) le genre de produits, services ou entreprises;   |
| (d) the nature of the trade; and   | d) la nature du commerce;   |
| (e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them. | e) le degré de ressemblance entre les marques de commerce ou les noms commerciaux dans la présentation ou le son, ou dans les idées qu'ils suggèrent. |

7. No person shall

7. Nul ne peut :

- |  |   |
|--|---|
| (a) make a false or misleading statement tending to discredit the business, goods or services of a competitor;   | a) faire une déclaration fausse ou trompeuse tendant à discréditer l'entreprise, les produits ou les services d'un concurrent;  |
| (b) direct public attention to his goods, services or business in such a way as to cause or be likely to cause confusion in Canada, at the time he commenced so to direct attention to them, between his goods, services or business and the goods, services or business of another; | b) appeler l'attention du public sur ses produits, ses services ou son entreprise de manière à causer ou à vraisemblablement causer de la confusion au Canada, lorsqu'il a commencé à y appeler ainsi l'attention, entre ses produits, ses services ou son entreprise et ceux d'un autre; |
| (c) pass off other goods or services as and for those ordered or requested; or   | c) faire passer d'autres produits ou services pour ceux qui sont commandés ou demandés;   |
| (d) make use, in association with goods or services, of any description that is false in a material respect and likely to mislead the public as to   | d) employer, en liaison avec des produits ou services, une désignation qui est fautive sous un rapport essentiel et de nature à tromper le public en ce qui regarde :   |
| (i) the character, quality, quantity or composition,   | (i) soit leurs caractéristiques, leur qualité, quantité ou composition,   |

- (ii) the geographical origin, or  
(iii) the mode of the manufacture, production or performance of the goods or services.
10. Where any mark has by ordinary and bona fide commercial usage become recognized in Canada as designating the kind, quality, quantity, destination, value, place of origin or date of production of any goods or services, no person shall adopt it as a trade-mark in association with such goods or services or others of the same general class or use it in a way likely to mislead, nor shall any person so adopt or so use any mark so nearly resembling that mark as to be likely to be mistaken therefor.
11. No person shall use in connection with a business, as a trade-mark or otherwise, any mark adopted contrary to section 9 or 10 of this Act or section 13 or 14 of the *Unfair Competition Act*, chapter 274 of the Revised Statutes of Canada, 1952.
16. (1) Any applicant who has filed an application in accordance with section 30 for registration of a trade-mark that is registrable and that he
- (ii) soit leur origine géographique,  
(iii) soit leur mode de fabrication, de production ou d'exécution.
10. Si une marque, en raison d'une pratique commerciale ordinaire et authentique, devient reconnue au Canada comme désignant le genre, la qualité, la quantité, la destination, la valeur, le lieu d'origine ou la date de production de produits ou services, nul ne peut l'adopter comme marque de commerce en liaison avec ces produits ou services ou autres de la même catégorie générale, ou l'employer d'une manière susceptible d'induire en erreur, et nul ne peut ainsi adopter ou employer une marque dont la ressemblance avec la marque en question est telle qu'on pourrait vraisemblablement les confondre.
11. Nul ne peut employer relativement à une entreprise, comme marque de commerce ou autrement, une marque adoptée contrairement à l'article 9 ou 10 de la présente loi ou contrairement à l'article 13 ou 14 de la *Loi sur la concurrence déloyale*, chapitre 274 des Statuts révisés du Canada de 1952.
16. (1) Tout requérant qui a produit une demande selon l'article 30 en vue de l'enregistrement d'une marque de commerce qui est

or his predecessor in title has used in Canada or made known in Canada in association with goods or services is entitled, subject to section 38, to secure its registration in respect of those goods or services, unless at the date on which he or his predecessor in title first so used it or made it known it was confusing with

(a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;

(b) a trade-mark in respect of which an application for registration had been previously filed in Canada by any other person; or

(c) a trade-name that had been previously used in Canada by any other person.

(2) Any applicant who has filed an application in accordance with section 30 for registration of a trade-mark that is registrable and that the applicant or the applicant's predecessor in title has duly registered in or for the country of origin of the applicant and has used in association with goods or services is entitled, subject to section 38, to secure its registration in respect of the goods or services in association with which it is registered in that country and

enregistrable et que le requérant ou son prédécesseur en titre a employée ou fait connaître au Canada en liaison avec des produits ou services, a droit, sous réserve de l'article 38, d'en obtenir l'enregistrement à l'égard de ces produits ou services, à moins que, à la date où le requérant ou son prédécesseur en titre l'a en premier lieu ainsi employée ou révélée, elle n'ait créé de la confusion :

a) soit avec une marque de commerce antérieurement employée ou révélée au Canada par une autre personne;

b) soit avec une marque de commerce à l'égard de laquelle une demande d'enregistrement avait été antérieurement produite au Canada par une autre personne;

c) soit avec un nom commercial qui avait été antérieurement employé au Canada par une autre personne.

(2) Tout requérant qui a produit une demande selon l'article 30 en vue de l'enregistrement d'une marque de commerce qui est enregistrable et que le requérant ou son prédécesseur en titre a dûment déposée dans son pays d'origine, ou pour son pays d'origine, et qu'il a employée en liaison avec des produits ou services, a droit, sous réserve de l'article 38, d'en obtenir l'enregistrement à l'égard des produits ou services en liaison avec

has been used, unless at the date of filing of the application in accordance with section 30 it was confusing with

(a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;

(b) a trade-mark in respect of which an application for registration had been previously filed in Canada by any other person; or

(c) a trade-name that had been previously used in Canada by any other person.

(3) Any applicant who has filed an application in accordance with section 30 for registration of a proposed trade-mark that is registrable is entitled, subject to sections 38 and 40, to secure its registration in respect of the goods or services specified in the application, unless at the date of filing of the application it was confusing with

(a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;

(b) a trade-mark in respect of which an application for registration had been previously filed in Canada by

lesquels elle est déposée dans ce pays et a été employée, à moins que, à la date de la production de la demande, en conformité avec l'article 30, elle n'ait créé de la confusion :

a) soit avec une marque de commerce antérieurement employée ou révélée au Canada par une autre personne;

b) soit avec une marque de commerce à l'égard de laquelle une demande d'enregistrement a été antérieurement produite au Canada par une autre personne;

c) soit avec un nom commercial antérieurement employé au Canada par une autre personne.

(3) Tout requérant qui a produit une demande selon l'article 30 en vue de l'enregistrement d'une marque de commerce projetée et enregistrable, a droit, sous réserve des articles 38 et 40, d'en obtenir l'enregistrement à l'égard des produits ou services spécifiés dans la demande, à moins que, à la date de production de la demande, elle n'ait créé de la confusion :

a) soit avec une marque de commerce antérieurement employée ou révélée au Canada par une autre personne;

b) soit avec une marque de commerce à l'égard de laquelle une demande d'enregistrement a été antérieurement produite au Canada par une autre



any other person; or

(c) a trade-name that had been previously used in Canada by any other person.

(4) The right of an applicant to secure registration of a registrable trade-mark is not affected by the previous filing of an application for registration of a confusing trade-mark by another person, unless the application for registration of the confusing trade-mark was pending at the date of advertisement of the applicant's application in accordance with section 37.

(5) The right of an applicant to secure registration of a registrable trade-mark is not affected by the previous use or making known of a confusing trade-mark or trade-name by another person, if the confusing trade-mark or trade-name was abandoned at the date of advertisement of the applicant's application in accordance with section 37.

18. (1) The registration of a trade-mark is invalid if

(a) the trade-mark was not registrable at the date of registration;

personne;

c) soit avec un nom commercial antérieurement employé au Canada par une autre personne.

(4) Le droit, pour un requérant, d'obtenir l'enregistrement d'une marque de commerce enregistrable n'est pas atteint par la production antérieure d'une demande d'enregistrement d'une marque de commerce créant de la confusion, par une autre personne, à moins que la demande d'enregistrement de la marque de commerce créant de la confusion n'ait été pendante à la date de l'annonce de la demande du requérant selon l'article 37.

(5) Le droit, pour un requérant, d'obtenir l'enregistrement d'une marque de commerce enregistrable n'est pas atteint par l'emploi antérieur ou la révélation antérieure d'une marque de commerce ou d'un nom commercial créant de la confusion, par une autre personne, si cette marque de commerce ou ce nom commercial créant de la confusion a été abandonné à la date de l'annonce de la demande du requérant selon l'article 37.

18. (1) L'enregistrement d'une marque de commerce est invalide dans les cas suivants :

a) la marque de commerce n'était pas enregistrable à la date de l'enregistrement;

(b) the trade-mark is not distinctive at the time proceedings bringing the validity of the registration into question are commenced;

(c) the trade-mark has been abandoned; or

(d) subject to section 17, the applicant for registration was not the person entitled to secure the registration.

(2) No registration of a trade-mark that had been so used in Canada by the registrant or his predecessor in title as to have become distinctive at the date of registration shall be held invalid merely on the ground that evidence of the distinctiveness was not submitted to the competent authority or tribunal before the grant of the registration.

19. Subject to sections 21, 32 and 67, the registration of a trade-mark in respect of any goods or services, unless shown to be invalid, gives to the owner of the trade-mark the exclusive right to the use throughout Canada of the trade-mark in respect of those goods or services.

20. (1) The right of the owner of a registered trade-mark to its exclusive use is deemed to be infringed by any person who is not entitled to its use under this Act and who

b) la marque de commerce n'est pas distinctive à l'époque où sont entamées les procédures contestant la validité de l'enregistrement;

c) la marque de commerce a été abandonnée;

d) sous réserve de l'article 17, l'auteur de la demande n'était pas la personne ayant droit d'obtenir l'enregistrement.

(2) Nul enregistrement d'une marque de commerce qui était employée au Canada par l'inscrivant ou son prédécesseur en titre, au point d'être devenue distinctive à la date d'enregistrement, ne peut être considéré comme invalide pour la seule raison que la preuve de ce caractère distinctif n'a pas été soumise à l'autorité ou au tribunal compétent avant l'octroi de cet enregistrement.

19. Sous réserve des articles 21, 32 et 67, l'enregistrement d'une marque de commerce à l'égard de produits ou services, sauf si son invalidité est démontrée, donne au propriétaire le droit exclusif à l'emploi de celle-ci, dans tout le Canada, en ce qui concerne ces produits ou services.

20. (1) Le droit du propriétaire d'une marque de commerce déposée à l'emploi exclusif de cette dernière est réputé être violé par une personne qui est non admise à l'employer selon la présente loi et qui :

(a) sells, distributes or advertises any goods or services in association with a confusing trade-mark or trade-name;

(b) manufactures, causes to be manufactured, possesses, imports, exports or attempts to export any goods in association with a confusing trade-mark or trade-name, for the purpose of their sale or distribution;

(c) sells, offers for sale or distributes any label or packaging, in any form, bearing a trade-mark or trade-name, if

(i) the person knows or ought to know that the label or packaging is intended to be associated with goods or services that are not those of the owner of the registered trade-mark, and

(ii) the sale, distribution or advertisement of the goods or services in association with the label or packaging would be a sale, distribution or advertisement in association with a confusing trade-mark or trade-name; or

(d) manufactures, causes to be manufactured, possesses, imports, exports or attempts to export any label or packaging, in any form, bearing a trade-mark or trade-name, for the purpose of its sale or

a) soit vend, distribue ou annonce des produits ou services en liaison avec une marque de commerce ou un nom commercial créant de la confusion;

b) soit fabrique, fait fabriquer, a en sa possession, importe, exporte ou tente d'exporter des produits, en vue de leur vente ou de leur distribution et en liaison avec une marque de commerce ou un nom commercial créant de la confusion;

c) soit vend, offre en vente ou distribue des étiquettes ou des emballages, quelle qu'en soit la forme, portant une marque de commerce ou un nom commercial alors que :

(i) d'une part, elle sait ou devrait savoir que les étiquettes ou les emballages sont destinés à être associés à des produits ou services qui ne sont pas ceux du propriétaire de la marque de commerce déposée,

(ii) d'autre part, la vente, la distribution ou l'annonce des produits ou services en liaison avec les étiquettes ou les emballages constituerait une vente, une distribution ou une annonce en liaison avec une marque de commerce ou un nom commercial créant de la confusion;

d) soit fabrique, fait fabriquer, a en sa possession, importe, exporte ou tente d'exporter des étiquettes ou des emballages, quelle qu'en soit la forme, portant une marque de

distribution or for the purpose of the sale, distribution or advertisement of goods or services in association with it, if

(i) the person knows or ought to know that the label or packaging is intended to be associated with goods or services that are not those of the owner of the registered trade-mark, and

(ii) the sale, distribution or advertisement of the goods or services in association with the label or packaging would be a sale, distribution or advertisement in association with a confusing trade-mark or trade-name.

(1.1) The registration of a trade-mark does not prevent a person from making, in a manner that is not likely to have the effect of depreciating the value of the goodwill attaching to the trade-mark,

(a) any bona fide use of his or her personal name as a trade-name; or

(b) any bona fide use, other than as a trade-mark, of the geographical name of his or her place of business or of any accurate description of the character or quality of his or her goods or services.

commerce ou un nom commercial, en vue de leur vente ou de leur distribution ou en vue de la vente, de la distribution ou de l'annonce de produits ou services en liaison avec ceux-ci, alors que :

(i) d'une part, elle sait ou devrait savoir que les étiquettes ou les emballages sont destinés à être associés à des produits ou services qui ne sont pas ceux du propriétaire de la marque de commerce déposée,

(ii) d'autre part, la vente, la distribution ou l'annonce des produits ou services en liaison avec les étiquettes ou les emballages constituerait une vente, une distribution ou une annonce en liaison avec une marque de commerce ou un nom commercial créant de la confusion.

(1.1) L'enregistrement d'une marque de commerce n'a pas pour effet d'empêcher une personne d'employer les éléments ci-après de bonne foi et d'une manière non susceptible d'entraîner la diminution de la valeur de l'achalandage attaché à la marque de commerce :

a) son nom personnel comme nom commercial;

b) le nom géographique de son siège d'affaires ou toute description exacte du genre ou de la qualité de ses produits ou services, sauf si elle les emploie à titre de marque de commerce.

(1.2) The registration of a trade-mark does not prevent a person from using any utilitarian feature embodied in the trade-mark.

(2) No registration of a trade-mark prevents a person from making any use of any of the indications mentioned in subsection 11.18(3) in association with a wine or any of the indications mentioned in subsection 11.18(4) in association with a spirit.

53.2 (1) If a court is satisfied, on application of any interested person, that any act has been done contrary to this Act, the court may make any order that it considers appropriate in the circumstances, including an order providing for relief by way of injunction and the recovery of damages or profits, for punitive damages and for the destruction or other disposition of any offending goods, packaging, labels and advertising material and of any equipment used to produce the goods, packaging, labels or advertising material.

(2) Before making an order for destruction or other disposition, the court shall direct that notice be given to any person who has an interest or right in the item to be destroyed or otherwise disposed of, unless the court is

(1.2) L'enregistrement d'une marque de commerce n'a pas pour effet d'empêcher une personne d'utiliser toute caractéristique utilitaire incorporée dans la marque.

(2) L'enregistrement d'une marque de commerce n'a pas pour effet d'empêcher une personne d'employer les indications mentionnées au paragraphe 11.18(3) en liaison avec un vin ou les indications mentionnées au paragraphe 11.18(4) en liaison avec un spiritueux.

53.2 (1) Lorsqu'il est convaincu, sur demande de toute personne intéressée, qu'un acte a été accompli contrairement à la présente loi, le tribunal peut rendre les ordonnances qu'il juge indiquées, notamment pour réparation par voie d'injonction ou par recouvrement de dommages-intérêts ou de profits, pour l'imposition de dommages punitifs, ou encore pour la disposition par destruction ou autrement des produits, emballages, étiquettes et matériel publicitaire contrevenant à la présente loi et de tout équipement employé pour produire ceux-ci.

(2) Sauf s'il estime que l'intérêt de la justice ne l'exige pas, le tribunal, avant d'ordonner la disposition des biens en cause, exige qu'un préavis soit donné aux personnes qui ont un droit ou

of the opinion that the interests of justice do not require that notice be given.

57. (1) The Federal Court has exclusive original jurisdiction, on the application of the Registrar or of any person interested, to order that any entry in the register be struck out or amended on the ground that at the date of the application the entry as it appears on the register does not accurately express or define the existing rights of the person appearing to be the registered owner of the mark.

(2) No person is entitled to institute under this section any proceeding calling into question any decision given by the Registrar of which that person had express notice and from which he had a right to appeal.

intérêt sur ceux-ci.

57. (1) La Cour fédérale a une compétence initiale exclusive, sur demande du registraire ou de toute personne intéressée, pour ordonner qu'une inscription dans le registre soit biffée ou modifiée, parce que, à la date de cette demande, l'inscription figurant au registre n'exprime ou ne définit pas exactement les droits existants de la personne paraissant être le propriétaire inscrit de la marque.

(2) Personne n'a le droit d'intenter, en vertu du présent article, des procédures mettant en question une décision rendue par le registraire, de laquelle cette personne avait reçu un avis formel et dont elle avait le droit d'interjeter appel.

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-1380-13

**STYLE OF CAUSE:** WENGER S.A., GROUP III INTERNATIONAL LTD.,  
AND HOLIDAY GROUP INC. v TRAVEL WAY  
GROUP INTERNATIONAL INC.

**PLACE OF HEARING:** TORONTO, ONTARIO

**DATE OF HEARING:** NOVEMBER 23, 2015

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