LA MAUR, INC. ..... APPLICANT;

AND

PRODON INDUSTRIES LTD and RAYETTE-FABERGE OF CANADA LTD ..... RESPONDENTS.

Toronto 1969 Apr. 22-23

Ottawa June 17

*Trade Marks—Expungement application—Sale of hair fixatives—Whether designs dominated by words "HY*STYLE" and "STYLE" confusing—Trade Marks Act, 1952-53, c 49, secs. 6(1), (2), (5)(a), (c) and (e), 16(3)(a), 18(1)*

On December 17th 1963 a trade mark consisting of a design dominated by the word "HY*STYLE" was applied for and registered by one of the respondents for proposed use in the sale of hair fixatives which respondents thereafter sold mainly to retail outlets in Canada (their sales for the three years following registration being almost $1,000,000) Expungement of the trade mark was sought by the applicant under s. 56(1) of the *Trade Marks Act* on the ground that since 1951 the applicant had been using an unregistered trade mark consisting of a design dominated by the word "STYLE" in the sale of hair fixatives mainly to wholesale distributors in Canada, and that the respondents' trade mark was on the date of its registration confusing with applicant's mark and therefore non-registrable (secs. 16(3)(*a*) and 18(1)). No evidence of actual confusion was adduced.

Held (applying the tests set out in secs. 5(*a*), (*c*) and (*e*) for determining whether confusion existed between the two trade marks), applicant had failed to prove that there was likelihood of confusion within the meaning of s. 6(1) and (2) between the two trade marks on the date respondents' mark was registered.

EXPUNGEMENT application.

George H. Riches, Q.C. for applicant.

Donald F. Sim, Q.C. and *Roger T. Hughes* for respondents.

GIBSON J.:—La Maur, Inc., seeks an expungement (section 56(1)[1] of the *Trade Marks Act*) of the registration of the respondents' trade mark (HY*STYLE and Design, entry numbered 136,898 in the Trade Mark Register) beneficially owned by the respondent Rayette-Faberge of Canada Ltd., and registered in the name of the respondent

[1] 56. (1) The Exchequer Court of Canada 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 such 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.

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Prodon Industries Ltd., alleging that the registration is invalid (section 18(1)(*a*)[2] of the Act) because such trade mark was not registrable "at the date of registration" (December 17, 1963), in that "at the date of filing of the application, it was confusing with" the applicant's unregistered trade mark STYLE "that had been previously used in Canada" by the applicant (section 16(3)(*a*)[3] of the Act).

The applicant does not rely on "made known".

The respondents question the applicant's prior use in Canada; and also say that their trade mark was not confusing with the applicant's trade mark within the meaning of section 16(3)(*a*) of the Act.

On the critical date, namely, December 17, 1963, the application by the respondents for the registration of the said trade mark HY*STYLE and Design was predicated on proposed use.

The unregistered trade mark that the applicant alleges had been previously used in Canada by it is the word "STYLE"; and that such use was in association with hair fixatives. Such alleged use the applicant says was continuous from 1954 through the date of the application for registration of the respondents' trade mark, through the date of publication of the respondents' mark and down to the commencement of these proceedings.

The said trade mark of the respondents consists of a design or get-up in the centre of which as a predominant feature are the words "HY*STYLE".

The evidence of the applicant is that in the main it sold its product using its unregistered trade mark STYLE, to beauty salons in Canada, who in turn sold certain of such

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[2] 18. (1) The registration of a trade mark is invalid if

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

[3] 16 ...

(3) Any applicant who has filed an application in accordance with section 29 for registration of a proposed trade mark that is registrable is entitled, subject to sections 37 and 39, to secure its registration in respect of the wares 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;

product to customers of beauty salons; and that the product of the respondents using its said registered trade mark, in the main, was sold to retail outlets.

The sole issue in these proceedings is whether the respondent has the right to have the registration of its trade mark remain on the register and the resolution of this issue is dependent on whether in the circumstances of the proof in this case there was use in Canada by the applicant prior to December 17, 1963, and if so was there or was there not as of December 17, 1963, confusion or a likelihood of confusion in the minds of the users between the products of the applicant sold to such users and the products of the respondents sold, each employing respectively its unregistered and registered trade marks.

On the evidence, I find the great majority of the sales of the applicant's wares employing its unregistered trade mark in Canada, from 1954, were made to wholesale distributors in Canada but some were made by the applicant directly to retail outlets.

As a consequence, I am of the view that the applicant has proved that it used its trade mark in association with its hair fixative wares in Canada since 1954 continuously to the date of these proceedings.

The more difficult problem is whether such use of the applicant's unregistered trade mark in association with such wares was likely to cause confusion as of December 17, 1963, with the proposed trade mark of the respondents, then proposed to be used in association with its wares, also hair fixatives, within the meaning of section 6(1) and (2)[4] of the Act.

There is no evidence of actual confusion.

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[4] 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 such first mentioned trade mark or trade name would cause confusion with such 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 wares or services associated with such trade marks are manufactured, sold, leased, hired or performed by the same person, whether or not such wares or services are of the same general class.

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The unregistered trade mark that the applicant used in association with its wares from 1954 was not just the word "STYLE". Instead, it was a whole design consisting, among other things, of an oval in the centre of which was written the word "STYLE" in special script and against a particular background. Exhibit 24-1 of the affidavit of Mr. Walter C. Smith sworn on March 17, 1967, is representative of the manner in which such unregistered trade mark was used by the applicant.

The registered trade mark of the respondents consists also of a whole design, but undoubtedly the predominant feature of it are the words "HY*STYLE". The other *indicia* in their trade mark in relation to the *indicia* in the get-up of the unregistered trade mark of the applicant other than the word "STYLE" in it, are not things which are or were likely to cause confusion in the minds of the public.

Employing, in relation to the evidence, the relevant catalogue of factors in order to assess and determine the issue of confusing in this case, namely, all the surrounding circumstances including the matters referred to in section 6(5)(*a*), (*c*) and (*e*)[5] *serriatum,* I am of the view:

The applicant's unregistered trade mark has little inherent distinctiveness being a weak mark employing a word in ordinary and common usage.

When this is coupled with the evidence as to "the extent to which they have become known" (section 6(5)(*a*) of the Act), nothing substantial has been done to strengthen this trade mark. As to this, Exhibit B of the affidavit of Mr. Milton L. LaBrosse submitted by the applicant shows that in the ten relevant years the total sales to his company in Saskatchewan (which is the sales to the wholesale dis-

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[5] 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

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

...

(*c*) the nature of the wares, services or business;

...

(*e*) the degree of resemblance between the trade marks or trade names in appearance or sound or in the ideas suggested by them.

tributors upon which the applicant relies) consisted of only $25,594.13 worth of such wares. In addition, though, the applicant also filed an affidavit of Mr. Walter C. Smith of Minneapolis, Minnesota, an officer of the applicant, in which he swore that the retail value of sales of applicant's product employing its unregistered trade mark in Canada during that period amounted to about $175,000; and that also during that period the applicant had advertised its wares in association with its unregistered trade mark extensively in many well known United States magazines which had a wide circulation in Canada. Much of this evidence is based on hearsay; but based on such of it as is admissible, it is difficult to measure the impact of it and so I do not consider it of much weight.

As to the "nature of the wares", both of the applicant and the respondents are the same.

As to "the degree of resemblance between the trade marks" as has been stated the whole of the design or get-up must be looked at. But the dominant feature in both are respectively the words "STYLE" and "HY*STYLE".

One general matter should be mentioned, *viz.*, from the respondents' evidence, that in three years since 1963 in Canada the respondent sold almost a million dollars worth of its wares employing its said registered trade mark. (And despite this no evidence of actual confusion was adduced).

Speaking generally as to quality and weight of evidence, it should also be mentioned that there was an absence of evidence from any witness other than witnesses who were officers or employees of the applicant and other than Mr. Milton LaBrosse, who is the wholesale distributor in Saskatchewan, and this is of particular significance in this case. In addition, the applicant relies on sales by LaBrosse's Company to beauty parlor operators, but there was no evidence from any beauty parlor operator. There was also no evidence of the manner in which the applicant's products were sold to the ultimate users by such beauty parlor operators. There was some evidence of sales to such retail stores as Woodward's in Western Canada, but no evidence as to how the users purchased the applicant's products sold in association with their trade mark in Canada.

In all of the circumstances, this case falls to be decided on the matter of onus of proof.

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I am not satisfied that the applicant has proven the likelihood of confusion at the relevant time within the meaning of section 6(1) and (2) of the Act, and therefore, has not proven that as of December 17, 1963 the respondents' then proposed trade mark was confusing with its unregistered trade mark.

As a consequence, the application is dismissed with costs, which are hereby fixed at $1,000.