

## NO RISK OF CONFUSION BETWEEN BARBIE DOLLS AND BARBIE'S RESTAURANTS, FEDERAL COURT RULES

By  
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The Trial Division of the Federal Court of Canada upheld the Registrar's decision in dismissing the Opponent's opposition to the mark BARBIE'S & design, further to an appeal launched pursuant to subsection 56(1) of Canada's *Trade-marks Act*, (R.S.C. 1985, c. T-13) after a finding of lack of confusion with its registered BARBIE trade-marks (*Mattel, Inc. v. 3894207 Canada Inc. and the Registrar of Trade-marks of Canada, T-717-02, March 11, 2001, Rouleau, J.*).

### The facts

On September 14<sup>th</sup>, 1993, 2858029 Canada Inc. (the corporate respondent's predecessor in title) filed an application for the trade-mark BARBIE'S & design (TMO 736,898) in association with "restaurant services, take-out restaurant services, catering and banquet services", as reproduced below:



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\* Of the lawfirm LEGER ROBIC RICHARD, g.p. and of the patent and trademark agency firm ROBIC, g.p. Published at (2004) World Intellectual Property Report. Ref. 142.163.

This application which was based on use in Canada since October 1992, was assigned to 3894207 Canada Inc. ("Respondent") on October 18, 2001.

The Respondent owns several restaurants located within the province of Quebec and caters to an adult clientele. These restaurants offer a variety of different meals as well as alcoholic beverages, the bar occupying a significant part of their square footage.

Applicant Mattel, Inc. ("Mattel") is the registered owner of several BARBIE trade-marks in association with dolls, doll accessories and other related products. On June 23, 1995, Mattel USA, Inc. opposed the BARBIE'S & design trade-mark in part on the ground that it caused confusion with several BARBIE trade-marks registered by Mattel in association with dolls, doll accessories and other related products.

On March 5, 2002, the Registrar dismissed the opposition on the ground that Respondent's BARBIE'S & design mark did not cause confusion with Mattel's BARBIE trade-marks. The Registrar focused on the enormous difference that existed between the nature of Mattel's wares and the nature of the Respondent's business.

### **Appeal to the Federal Court**

Mattel appealed the Registrar's decision on the ground that he erred in finding that there was no connection between its wares and the restaurant services offered by the Respondent. Additional evidence was filed Mattel in the form of survey evidence in an attempt to convince the Court of the likelihood of confusion between the marks at issue.

Mattel also filed an application for judicial review since it was only discovered in the context of the appeal proceeding before the Federal Court that Mattel USA, Inc. did not have any legal existence and that the statement of opposition had been mistakenly filed in the name of Mattel USA, Inc. rather than in the name of Mattel, Inc. The judicial review request sought to retroactively correct this situation.

The Respondent also filed additional evidence but the decision focuses only on Mattel's additional survey evidence.

### **Application for judicial review**

Since there was no company by the name of Mattel U.S.A., Inc. and at no relevant time did such a company exist, including at the time of the filing of the statement of opposition, the Court held that Mattel U.S.A., Inc. clearly did not have any legal existence at any relevant time, including at the time of the filing of the opposition, and therefore could not have had the requisite interest to oppose Respondent's trade-mark.

However, the Court nevertheless concluded that it would have been unfair to dismiss Mattel's application for judicial review on such a technical ground since the situation was brought about by the inadvertence of all of the parties involved. Therefore, the application for judicial review was allowed.

### **The issue of confusion--survey evidence**

Mattel relied heavily on the survey evidence and argued that the Court should consider it as substantial additional evidence pertaining to the question of confusion. The significant statistics from this survey, as outlined by the Court were the following:

- For 57% of the participants, Barbie dolls came to mind when they saw the Barbie's restaurant logo.
- 36% of the participants believed that the company that manufactured Barbie dolls had something to do with the logo of Barbie's restaurant.
- 99.3% of the participants were familiar with the Barbie dolls.

The Respondent submitted that the Registrar would have come to the same conclusion despite the findings of the Mattel survey.

The Court opined that Mattel's survey did not add anything new that warranted a review of the Registrar's decision since no significant conclusions could be drawn from the survey on the issue of confusion. Quite to the contrary, the Court considered that the survey had blatant shortcomings which undermined its relevance considerably:

- those who responded to the survey were provided with no information in any form whatsoever of the nature of Respondent's business and the restaurant services in association with the BARBIE'S & design trade-mark, i.e adult décor, late business hours, sale of alcoholic beverages, bar section;
- individuals who were familiar with any of the Respondent's trade-marks were excluded from participating in the survey;
- many questions were suggestive;
- the pool of people surveyed was limited to adults, excluding the group targeted by Mattel's products, i.e. 3-11 year old girls;
- the survey took place in a vacuum since several questions were abstract without revealing the concrete context underlying the survey.

In light of the above, the Court held that the survey was inconclusive and could therefore not support Mattel's allegation of confusion, although the inference that could be drawn from it was that Mattel's BARBIE mark is famous.

### **The notoriety of the BARBIE mark**

The Court acknowledged that Mattel's BARBIE mark was very well-known. Regardless, the Court added that there is no automatic presumption of confusion when an applicant's mark is famous and that the notoriety of a mark is only one factor to be considered when determining the likelihood of confusion. The Court held that the famousness of a mark cannot be a factor so important as to overshadow the striking differences between the nature of the parties' wares/services, as was the case before it.

Mattel argued that nothing prevented the Respondent from decorating the walls of its restaurants in pink and possibly selling dolls there. In deciding there was no risk of confusion, the Court commented such speculative arguments could not be followed without crossing the line into the absurd, as was difficult to imagine individuals intending to buy dolls at one of the Respondent's restaurants.

### **Conclusion**

Owners of famous marks seem to have been repeatedly thwarted in their attempts to extend trade-mark rights beyond the wares/services in association with their marks. This case is no exception as it lends support to the wave of jurisprudence which has established that famousness alone does not protect a trade-mark absolutely and is only one factor to be weighed in connection with the rest of the factors regarding confusion.

The BARBIE trade-mark shared the same fate in this case as did the marks PLAYBOY, PINK PANTHER and LEXUS in previous decisions. The Courts appear to often send a similar message on the issue of famous marks, best summed up as follows: "no matter how famous a mark is, it cannot be used to create a connection that does not exist."

