

CUSTOMARY FILING OF EVIDENCE DOES NOT OVERRIDE HEARSAY EVIDENCE RULE, OPPOSITION BOARD RULES

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The Trade-marks Opposition Board refused to register the trade-mark BETONOL, having decided it caused confusion with the Opponent's trade-mark BETONEL (*Betonel Inc.v. Permatex GmbH*, September 22nd, 2006, Jean Carrière, Hearing Officer). Of particular interest in this case was the admissibility of evidence pertaining to website excerpts.

The facts

On December 23rd 1998, the Applicant Permatex GmbH ("Permatex") filed an application, based on proposed use, to register the trade-mark BETONOL in association with industrial and commercial use epoxid and polyurethane coatings for cement based surfaces. It was advertised for opposition purposes on January 1st, 2003 and the Opponent, Betonel Inc. ("Opponent") filed a Statement of Opposition on February 28, 2003.

Several grounds of opposition were raised, amongst them, that Permatex's application was not registrable as it was confusing with the Opponent's registered trade-marks BETONEL and BETONEL and design for paints for use on walls, ceilings, doors and woodwork, solvents, varnish, remover, glue and brushes and its services relating to coating and accessories.

Evidence filed by the parties

The Opponent filed the affidavit of its Vice-President detailing its business activities in the province of Quebec since 1959 (manufacturer of coatings and operation of specialized stores in the sale of paint).

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The Applicant filed the affidavit of a student-at-law with the Applicant's law firm. Attached as exhibits in support of said affidavit were the Opponent's brochure entitled "Betanol the Products" as well as excerpts from various websites, including the Opponent's and those of third parties on which appeared several different trade-marks, such as BETONITE, BETONAMIT & design, BETONPACT and PLASTIBETON.

Admissibility of the Applicant's evidence

The Hearing Officer questioned Permatex on the admissibility of these documents and held it was inadmissible hearsay evidence as it was not one of its duly authorized representatives (or those of the entities identified on the websites) that had filed such evidence.

The Applicant argued that it was customary in opposition proceedings to file such type of evidence and in the alternative it would constitute an exception under the hearsay evidence rule. The Hearing Officer disagreed with the Applicant and stated that it was not because it was customary to proceed in a certain fashion that as a result, it was the proper way to file evidence.

As for the exception rule based on necessity, the Hearing Officer held it did not apply to the situation at hand. He went on to decide that the website excerpts only establish that the pages in question existed at the time they were printed but did not constitute evidence of their content as the affiant was not in a position to confirm the veracity of their content.

Factors relating to confusion under section 12 of the Act

Having disposed of the admissibility issue, the Hearing Officer proceeded to assess the registrability of Permatex's trade-mark.

As for the inherent distinctiveness of the marks at issue and the extent to which they had become known, the Hearing Officer held (i) they both could suggest the same ideas, (ii) the Applicant had not used its mark and (iii) the inherent distinctiveness of the Opponent's mark could have been enhanced through its extensive use but the evidence did not support a conclusion in law that its BETONEL mark had been used since 1963. As a result, this factor favoured neither party.

As for the length of time the trade-marks had been in use, the Applicant provided no evidence of use of its mark. As for the Opponent, the Hearing

Officer referred to the information contained in Permatex's certificate of registration and concluded that there had been some use of its mark BETONEL in Canada. This factor favoured the Opponent.

As for the nature of the wares, services or businesses of the parties, they both consisted of coatings to cover a surface, be it walls, floors or both. Permatex, by referring to its brochure, tried to argue the differences in the nature of the wares in that its products were used for functional purposes while those of the Opponent were used for decorative ones. However, as the Hearing Officer had no admissible evidence enabling him to make a clear distinction between the parties' respective wares, he concluded the products were similar in nature, based on record before him.

It is interesting to note that *during the hearing*, the Opponent attempted to rely on statements made by the Applicant in the prosecution of its application at the examination stage. The Hearing Officer did not consider these documents in rendering his decision because they were not introduced by way of affidavit or by filing a certified copy of the file wrapper so as to form part of the record.

As concerns the channels of trade, it was decided that even if Permatex proved its products were sold to engineers, architects and other professionals (no evidence was filed to that effect) and the Opponent's products were sold in its retail stores, there was no restriction that would prevent the latter from selling its wares outside its retail stores or even for industrial or commercial use.

As concerns the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them, the Hearing Officer decided that (i) the marks were visually similar, (ii) intellectually similar and (iii) the letter "O" replacing the letter "E" in the last syllable of the Opponent's trade-mark was not enough to dispel the risk of confusion.

Based on the foregoing, the Hearing Officer held that the average hurried consumer would be unable to distinguish the source of goods of the respective parties and that there was a likelihood of confusion between the marks BETONEL and BETONEL.

Conclusion

Aside from the confusion issues, this decision is a useful tool for practitioners in preparing evidence, whether it concerns filing excerpts of websites or trade-mark file wrappers. Deciding on how and when to introduce evidence and in particular, the choice of affiants requires careful consideration. This case also

reminds us of the pitfalls which could be associated with relying on employees of a firm to provide evidence on a point of substance (see also the Federal Court of Appeal decision in *Cross Canada Auto Body Supply (Windsor) Ltd et al. v. Hyundai Auto Canada*, A-419, April 3, 2006, Sexton J.A.).

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