



VIGILANCE REQUIRED WHEN PLEADING GROUNDS OF OPPOSITION IN CANADA

STELLA SYRIANOS^{*}
ROBIC, LLP
LAWYERS, PATENT & TRADEMARK AGENTS

In a recent case before the Trade-marks Opposition Board, improperly plead grounds of opposition resulted in an Opponent's unsuccessful challenge to an application for the trade-mark MISS ME in association with clothing (*Stella Cadente S.A.R.L. v. Sweet People Apparel*, 2012 T.M.O.B. 7, Nathalie de Paulsen, Member, January 18, 2012).

Facts

On July 26th, 2006, Sweet People Apparel, Inc. (hereafter: the "Applicant") filed an application to register the trade-mark MISS ME (hereafter: the "Mark") on the basis of use in Canada by the Applicant's predecessor in title Stella Cho, since at least 2001, in association with women's apparel.

The application was advertised for opposition purposes on January 10th, 2007 and on March 12th, 2007, Stella Cadente S.A.R.L. (hereafter: the "Opponent") filed a Statement of Opposition primarily containing allegations that the application did not conform with the requirements of section 30 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (hereafter: the "Act").

The Opponent's non compliance grounds were pleaded as follows:

- (1) the application does not comply with the requirements of Section 30 because the Applicant's trade-mark has not been used in the normal course of trade in Canada in association with all the wares identified in the application no. 1,308,568 since the alleged date of first use namely, 2001, or at all.
- (2) the application does not comply with the requirements of Section 30 in that the Applicant did not either itself or through a licensee use the trade-mark in the normal course of trade in Canada in association with all the wares

© CIPS, 2012.

^{*}Lawyer, Stella Syrianos is a member of ROBIC, LLP, a multidisciplinary firm of lawyers, patent and trademark agents. Published in the March 2012 issue of the World Intellectual Property Report. Publication 142.260.

ROBIC, LLP
www.robic.ca
info@robic.com

MONTREAL
1001 Square-Victoria - Bloc E - 8th Floor
Montreal, Quebec, Canada H2Z 2B7
Tel.: +1 514 987-6242 Fax: +1 514 845-7874

QUEBEC
2828 Laurier Boulevard, Tower 1, Suite 925
Quebec, Quebec, Canada G1V 0B9
Tel.: +1 418 653-1888 Fax.: +1 418 653-0006

identified in the application no. 1,308,568 since the alleged date of first use namely 2001, or at all.

- (3) the application does not comply with the requirements of Section 30 in that Stella Cho is not the Applicant's predecessor in title.

In support of its opposition, the Opponent filed the affidavit of Zeina Waked, a paralegal employed by Opponent's trade-mark agent, as well as a certified copy of the incorporation documents of 9160-5519 Quebec Inc., the Applicant's Canadian distributor. In support of its application, the Applicant filed the affidavit of Eric Choi and certified copies of registration Nos. TMA687,210, TMA687,211 and TMA687,323 relating to its various trade-marks comprised of the component "MISS ME". The Choi affidavit set out the chain of title of the Mark which included an assignment of the Mark from Bright Future Apparel, Inc. to the Applicant on December 28th, 2003. Noteworthy, the application only named Stella Cho as a predecessor in title and not Bright Future Apparel, Inc.

No use of the Mark since date alleged: ground dismissed

In addressing the first ground of opposition, Member Natalie de Paulsen held that the Opponent had met its initial evidentiary burden of proof with the Waked affidavit. Said affidavit demonstrated that the Applicant's distributor was incorporated on September 9, 2005. Moreover, to the Waked affidavit was attached a copy of a press release stating that in the fall of 2005, "MISS ME "goes international" with the signing of distributor agreements in Canada...". The Hearing Officer decided that the Opponent's evidence raised sufficient doubt as to the accuracy of the Applicant's claimed date of first use in Canada of 2001. As such, the Applicant bore the legal burden of proving use in Canada since its alleged first date of use.

The Hearing Officer ruled that the Applicant's evidence was sufficient to support its legal burden that the Mark had been used in Canada since 2001 in association with clothing. The Applicant's evidence set out the chain of title of the Mark along with samples of labels and hangtags and invoices, thereby proving that the Applicant and its predecessors in title sold MISS ME branded clothing directly to Canadian retailers from 2001 until 2006 when the Applicant granted Canadian distribution rights to 9160-5519 Quebec Inc.

Stella Cho is not the Applicant's predecessor in title: ground dismissed

The Hearing Officer decided that as pleaded, the Opponent's third ground of opposition did not support refusal of the application because the evidence demonstrated Stella Cho was a predecessor of the Applicant. The assignment of the application to Bright Future Apparel Inc. prior to being assigned to the Applicant was not relevant insofar as the term predecessor simply means "one who precedes

another in an office or position" [*Black's Law Dictionary*, 9th ed. (2009)] and Stella Cho did precede the Applicant as owner of the Mark.

The Applicant did not use the Mark: ground dismissed

The Opponent alleged that Sweet People Apparel, Inc. had not used the Mark in Canada since 2001. However, the Hearing Officer dismissed this ground of opposition because the application named Stella Cho as a predecessor in title. Therefore, the fact that the Applicant did not use the Mark in 2001 had no bearing on this ground of opposition insofar as the Applicant's evidence supported that Ms. Cho used the Mark in Canada in 2001.

The surprising aspect of this case is that Applicant's evidence detailed the chain of title yet the Opponent did not plead that the application was non-compliant because it failed to name each of the Applicant's predecessors in title. In Canada, if a date of first use provided is prior to the actual use by the applicant, the applicant must name all predecessors in title in its application, covering the time from the date of first use to the day the application is filed. Failure to do so may result in the mark being refused as such non compliance constitutes a valid ground of opposition.

The Hearing Officer highlighted the jurisprudential principle that the Opposition Board is not authorized to allow an opposition on the basis of a ground that has not been raised by the opposing party in its statement of opposition. The Opponent did not plead a conformity breach related to named predecessors in title by seeking leave to amend its statement of opposition after having been served with the Applicant's evidence. As a result, the Opposition Board was unable to rule that the application did not comply for reasons different than those pleaded by the Opponent. Noteworthy, the Opposition Board stated that had the Opponent plead the application did not name all predecessors in title, the Board would have found in its favor because indeed, the application did not name Bright Future Apparel, Inc.

Conclusion

This case aptly illustrates the negative consequences of improperly plead grounds of opposition, particularly those relating to non compliance that while technical in nature, nevertheless may allow an opponent to win an opposition without relying on confusion grounds. This decision also serves as a valuable reminder that in the particular case where an opponent seeks to entertain claims relating to non compliance grounds under s. 30 of the Act, an opponent must be vigilant in its pleadings throughout the entire opposition proceeding and not merely upon the filing of its statement of opposition.

ROBIC + LAW
+ BUSINESS
+ SCIENCE
+ ART

ROBIC, LLP
www.robic.ca
info@robic.com

MONTREAL
1001 Square-Victoria - Bloc E - 8th Floor
Montreal, Quebec, Canada H2Z 2B7
Tel.: +1 514 987-6242 Fax: +1 514 845-7874

QUEBEC
2828 Laurier Boulevard, Tower 1, Suite 925
Quebec, Quebec, Canada G1V 0B9
Tel.: +1 418 653-1888 Fax.: +1 418 653-0006

ROBIC, LLP
www.robic.ca
info@robic.com

MONTREAL
1001 Square-Victoria - Bloc E - 8th Floor
Montreal, Quebec, Canada H2Z 2B7
Tel.: +1 514 987-6242 Fax: +1 514 845-7874

QUEBEC
2828 Laurier Boulevard, Tower 1, Suite 925
Quebec, Quebec, Canada G1V 0B9
Tel.: +1 418 653-1888 Fax.: +1 418 653-0006