

Date: 20100915

Docket: T-333-09

Citation: 2010 FC 918

[UNREVISED ENGLISH CERTIFIED TRANSLATION]

Ottawa, Ontario, September 15, 2010

PRESENT: The Honourable Mr. Justice Boivin

BETWEEN:

GROUPE PROCYCLE INC.

Applicant

and

CHRYSLER GROUP LLC

Respondent

REASONS FOR JUDGMENT AND JUDGMENT

[1] This is an appeal by Groupe Procycle Inc. (hereafter the applicant) under subsection 56(1) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) from a decision of the Registrar of the Trade-marks Opposition Board dated November 17, 2008, rejecting the applicant's opposition to the registration of the trade-mark ROCKY MOUNTAIN (application No 1,152,955) held by Chrysler Group LLC (hereafter the respondent).

[2] The applicant asks that this Court set aside the Registrar's decision, allow the applicant's opposition and refuse the registration of the respondent's mark.

Relevant facts

[3] On September 23, 2002, DaimlerChrysler Corporation (the respondent/applicant) filed an application for the registration of the trade-mark ROCKY MOUNTAIN in association with the following wares: "Motor vehicles, and structural parts and engines therefore including wheels, but not including tires, namely passenger automobiles, pick up trucks, vans, minivans, sport utility vehicles, and recreational vehicles, namely motorhomes".

[4] The application was advertised for opposition purposes in the *Trade-marks Journal* of October 1, 2003.

[5] On March 1, 2004, Groupe Procycle Inc. (the applicant/opponent) filed a statement of opposition against DaimlerChrysler Corporation's application for registration based on paragraphs 38(2)(b), 38(2)(c) and 38(2)(d) of the *Trade-marks Act*. The three grounds of opposition can be summarized as follows:

1. The mark is not registrable pursuant to paragraph 12(1)(d) of the *Trade-marks Act* because it is confusing with the opponent's trade-marks ROCKY MOUNTAIN and ROCKY MOUNTAIN BICYCLES, registered in Canada under Nos. 565427 and 318010 in association with bicycles, contrary to paragraph 38(2)(b) of the Act;
2. The applicant is not the person entitled to the registration of the mark pursuant to paragraph 16(3)(a) of the Act in that as of the date of filing of the application, contrary to paragraph 38(2)(c) of the Act, the mark was confusing

with the trade-marks ROCKY MOUNTAIN and ROCKY MOUNTAIN BICYCLES that had been previously used in Canada by the opponent in association with bicycles; and

3. The mark is not distinctive of the applicant in that the mark neither distinguishes nor is adapted to distinguish the wares of the applicant from those of the opponent, contrary to paragraph 38(2)(d) of the Act.

[6] By counter-statement dated August 6, 2004, the respondent/applicant denied each and every one of the allegations made in the statement of opposition.

[7] In support of its statement of opposition, the applicant/opponent filed the affidavit of Raymond Dutil (March 3, 2005), President of the applicant, and the statutory declaration of Gina Petrone (March 7, 2005). The respondent/applicant filed the affidavits of Lynda Palmer (October 6, 2005), Donna L. Berry (October 4, 2005) and David Hakim (October 3, 2005). Only Raymond Dutil, a witness for the applicant, was cross-examined on his affidavit.

[8] Each party filed a written argument and was represented at the hearing held on June 10, 2008.

The Opposition Board's decision

[9] On November 17, 2008, the Registrar of the Trade-marks Opposition Board rejected the applicant's three grounds of opposition pursuant to subsection 38(8) of the Act. This decision was communicated to the parties on January 6, 2009. Given that the grounds of opposition pleaded by the applicant/opponent all turned on the issue of the likelihood of confusion between

its trade-marks and those of the respondent/applicant, the Registrar considered the applicant's grounds in light of paragraphs 12(1)(d) and 38(2)(b) of the Act.

[10] In considering the first ground of opposition, the ground based on paragraph 12(1)(d) of the Act, the Registrar reviewed the registrations of the opponent's marks, and as these were compliant, she concluded that the opponent had met its initial burden. The onus was then on the applicant to establish on a balance of probabilities that there was no reasonable likelihood of confusion between its mark and the opponent's. The Registrar then applied subsections 6(2) and 6(5) of the Act, which state that the Registrar shall have regard to the following circumstances in determining whether trade-marks are confusing: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time the trade-marks have been in use; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them.

[11] Applying this test, the Registrar rejected the first ground of opposition for the following reasons:

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

[12] The Registrar began by noting that both parties' marks were relatively inherently distinctive, but that the opponent's mark was distinctive to a lesser extent than the other given its greater suggestive connotation. The Registrar also concluded that despite the fact that the

opponent enjoyed an enviable reputation amongst mountain biking enthusiasts in Canada, this evidence falls short of supporting the opponent's contention that its trade-mark had become well known within the general population in Canada.

(b) the length of time the trade-marks have been in use

[13] The Registrar concluded that this fact favoured the opponent.

(c) the nature of the wares, services or business; and (d) the nature of the trade

[14] In her reasons, the Registrar analyzed the third and fourth factors together. Relying on *Henkel Kommanditgesellschaft Auf Aktien v Super Dragon Import Export Inc.* (FCA) [1986] FCJ No 313, 12 CPR (3d) 110 and *Mr. Submarine Ltd. v Amandista Investments Ltd.*, [1987] FCJ No 1123, 19 CPR (3d) 3, the Registrar compared the applicant's statement of wares with that of the opponent, noting that the price of the applicant's wares was approximately \$28,000 to \$42,000, while that of the opponent's ROCKY MOUNTAIN bicycles was \$800 to \$7,000. The Registrar recognized that the two types of wares sold by the parties were wares in respect of which purchasers exercise particular care in making their purchases. The Registrar also accepted the applicant's argument that the wares that it produced were sold through a network of dealers, while the opponent's wares were sold through other channels of trade, about which the opponent tendered no evidence.

[15] In the absence of evidence, the Registrar also rejected the opponent's argument that the distinctions made in that case law between the modes of transportation at issue no longer stood today and that such modes are becoming more and more complementary, as well as the argument

that car manufacturers frequently seek licences from bicycle manufacturers if they are to use a confusingly similar trade-mark to that of a bicycle manufacturer.

[16] Finally, in deciding in the applicant's favour, the Registrar relied on *Dr. Ing h.c F. Porsche AG v Procycle Inc.*, 45 CPR (3d) 432, [1992] TMOB No 406 [hereafter *Porsche*] in which it was held that although cars and bicycles are both modes of transportation, there is no resemblance between these wares, as the purchaser of a bicycle does not expect it to be manufactured by a car manufacturer, since the prices of the two types of wares are considerably different. Moreover, in support of her decision, the Registrar also cited a passage from *Porsche* that itself referred to *Bombardier Ltd. v CCM Inc.* 73 CPR (2d) 185, in which the Trade-marks Opposition Board considered the issue of risk of likelihood of confusion between one trade-mark used in association with bicycles and another in association with motorcycles and found that the wares were different in nature and were sold through different channels of trade.

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

[17] The Registrar held that, as the trade-marks at issue were identical, this factor favoured the opponent.

[18] With respect to the additional surrounding circumstances, the Registrar accepted the applicant's argument that the opponent itself acknowledged that there was no likelihood of confusion when an identical trade-mark was used by both bicycle and car manufacturers, since the opponent had, in the past, adopted or maintained more than 20 car marks, most of which had

existed before the opponent had registered such marks. However, the opponent submitted that the ROCKY MOUNTAIN mark was its primary mark, unlike the other ones raised by the applicant. The Registrar did not accept the opponent's argument, as the *Trade-marks Act* does not distinguish between primary and secondary marks.

[19] Citing *MacLeod-Howes Equipment Ltd. v Hammerson Canada Inc.*, [1992] TMOB No 2, 41 CPR (3d) 432, (*Ports International Ltd. v Dunlop Ltd.*), *Del Monte Corp. v Welch Foods Inc.*, [1992] FCJ No 643, 56 FTR 249 and *Kellogg Salada Canada Inc. v Canada (Registrar of Trade Marks)*, [1992] 3 FC 442, [1992] FCJ No 562 (*Maximum Nutrition Ltd. v Kellogg Salada Canada Inc.*), the Registrar held that there were ten relevant bicycle-related registrations containing the word "ROCK", and that given the large number of registrations, inferences could be drawn from this on the state of the marketplace. The Registrar found that the fact that consumers were used to seeing the component "ROCK" or "MOUNTAIN" in bicycle marks tended to reduce the distinctiveness of the opponent's mark. With respect to the word "MOUNT", the Registrar concluded that the number of registrations (5) was insufficient to draw any inferences about the state of the marketplace.

[20] The Registrar also noted that there was no actual confusion despite the coexistence of the marks and that given "the differences existing between the parties' wares and channels of trade and the relatively low distinctiveness of the Opponent's ROCKY MOUNTAIN mark" (Registrar's Decision, Applicant's Record Vol 3, pp 891-892), the opposition based on paragraph

12(1)(d) should be rejected. Accordingly, the second and third grounds of opposition, also based on confusion, should be rejected.

[21] On March 5, 2009, Groupe Procycle Inc. (the applicant) filed with this Court an appeal of the decision by the Registrar of the Trade-marks Opposition Board and also filed two affidavits as additional evidence, pursuant to subsection 56(5) of the Act. The affiants, Raymond Dutil and Thelma Thibodeau, were not cross-examined.

The relevant legislative provisions

[22] Subsections 6(1), (2) and (5), 12(1), 38(1) and (2) and 56(1) and (5) of the *Trade-marks*

Act read as follows:

When mark or name confusing

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.

Idem

Quand une marque ou un nom crée de la confusion

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.

Idem

(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 those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

(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 marchandises liées à ces marques de commerce sont fabriquées, vendues, données à bail ou louées, ou que les services liés à ces marques sont loués ou exécutés, par la même personne, que ces marchandises ou ces services soient ou non de la même catégorie générale.

...

[...]

What to be considered

Éléments d'appréciation

(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;

(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 wares, services or business; | c) le genre de marchandises, 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. |

When trade-mark registrable

Marque de commerce enregistrable

12. (1) Subject to section 13, a trade-mark is registrable if it is not

12. (1) Sous réserve de l'article 13, une marque de commerce est enregistrable sauf dans l'un ou l'autre des cas suivants :

...

[...]

(d) confusing with a registered trade-mark;

d) elle crée de la confusion avec une marque de commerce déposée;

...

[...]

Statement of opposition

Déclaration d'opposition

38. (1) Within two months after the advertisement of an application for the registration of a trade-mark, any person may, on payment of the prescribed fee, file a statement of opposition with the Registrar.

38. (1) Toute personne peut, dans le délai de deux mois à compter de l'annonce de la demande, et sur paiement du droit prescrit, produire au bureau du registraire une déclaration d'opposition.

Grounds

Motifs

(2) A statement of opposition may be based on any of the

(2) Cette opposition peut être fondée sur l'un des motifs

following grounds:

(a) that the application does not conform to the requirements of section 30;

(b) that the trade-mark is not registrable;

(c) that the applicant is not the person entitled to registration of the trade-mark; or

(d) that the trade-mark is not distinctive.

Appeal

56. (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.

...

Additional evidence

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

suivants :

a) la demande ne satisfait pas aux exigences de l'article 30;

b) la marque de commerce n'est pas enregistrable;

c) le requérant n'est pas la personne ayant droit à l'enregistrement;

d) la marque de commerce n'est pas distinctive.

Appel

56. (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.

[...]

Preuve additionnelle

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

[23] The parties raised several issues, which can be summarized as follows:

1. *What standard of review applies to an appeal from a decision of the Registrar of the Trade-marks Opposition Board?*
2. *Would the additional evidence filed in this Court have materially affected the Registrar's findings?*
3. *Did the Registrar err in finding that there was no confusion between the applicant's ROCKY MOUNTAIN and ROCKY MOUNTAIN BICYCLES marks and the respondent's mark?*

Standard of review

1. *What standard of review applies to an appeal from a decision of the Registrar of the Trade-marks Opposition Board?*

[24] Both parties submitted that according to the case law of this Court, the expertise of the Registrar of the Trade-marks Opposition Board called for deference on the part of the courts and that, accordingly, the Registrar's decision must be reviewed on a standard of reasonableness. It should be noted, however, that this standard only applies when no new evidence is filed that would have materially affected the Registrar's findings of fact or exercise of discretion (see *Mattel Inc. v 3894207 Canada Inc.*, 2006 SCC 22, [2006] 1 SCR 772, 49 CPR (4th) 321, at paras 40 and 41, *Guido Berlucchi & C. S.r.l. v Brouillette Kosie Prince*, 2007 FC 245, [2007] FCJ No 319, 49 CPR (4th) 321, at para 23, as well as *Dunsmuir v Nouveau-Brunswick*, 2008 SCC 9, [2008] 1 SCR 190).

[25] If on appeal, however, one of the parties files additional evidence that would have materially affected the Registrar's findings or exercise of discretion, the Court must decide the issue *de novo*, having regard to all of the evidence before it (*Shell Canada Limited v P.T. Sari*

Incofood Corporation, 2008 FCA 279, [2008] FCJ No 1320, 68 CPR (4th) 390). In *Loro Piana S.P.A. v Canadian Council of Professional Engineers*, 2009 FC 1096, [2009] FCJ No 1344, at para 15, this Court added the following:

[15] . In assessing the impact that additional evidence will have for the standard or review, the question is the extent to which the additional evidence has a probative significance that extends beyond the material that was before the Board (*Guido Berlucchi & C. S.r.l.*, above, and *Fairweather Ltd. v. Canada (Register of Trade-marks)*, 2006 FC 1248, C.P.R. (4th) 50).

[26] As the Federal Court of Appeal stated in *Molson Breweries v John Labatt Ltd.*, (C.A.), [2000] 3 FC 145, 252 NR 91, at para 51, (see also *Christian Dior, S.A. v Dion Neckwear Ltd.*, 2002 FCA 29, [2002] FCJ No 95, at para 8), where additional evidence is filed in the Trial Division, the Registrar's decision is to be reviewed on a standard of correctness and the Trial Division judge can to substitute its own conclusions for those of the Registrar (see *Telus Corp. v Orange Personal Communications Services Ltd.*, 2005 FC 590, [2005] FCJ No 722).

[27] The first point that the Court will consider is whether the additional evidence filed by the applicant "would have materially affected the Registrar's findings of fact or the exercise of his discretion".

Analysis

2. *Would the additional evidence filed in this Court have materially affected the Registrar's findings?*

[28] The applicant states that it has filed additional evidence in this appeal that would have materially affected the Registrar's findings so that the standard of review in this appeal would

make the Registrar's decision unreasonable on the original evidence and incorrect on the additional evidence. The respondent, on the other hand, alleges that the new evidence would not have materially affected the Registrar's decision and that the standard of review in this appeal is therefore reasonableness.

[29] To support its claims, the respondent rightly relies on *Canadian Council of Professional Engineers v APA - Engineered Wood Assn.*, [2000] FCJ No 1027, 184 FTR 55, at para 36 (see also *Wrangler Apparel Corp. v Timberland Co*, 2005 FC 722, [2005] FCJ No 899, at para 7), in which the Federal Court of Appeal set out how this Court was to address the filing of additional evidence:

[36] In cases such as this, the deference afforded to the decision of the Registrar under appeal is maintained unless such deference must necessarily be displaced due to the additional evidence. The test is one of quality, not quantity. I note also that the appellant has raised no new arguments upon which it relies in opposing APA's proposed trade-marks—its appeal concerns alleged errors in the method by which the Registrar conducted his inquiry and the interpretation of the law evidenced by the findings he made. It is, of course, non-sensical to uphold a decision which may well have been correct and reasonable on the basis of the material then before the decision maker, but is brought into question upon the filing of significant additional evidence or upon the raising of new issues.

[30] The applicant is of the view that the evidence filed demonstrates that its marks are highly distinctive, that they are well known by consumers, that the wares associated with the parties' marks and their channels of trade are connected, and that, on the whole, there exists a likelihood of confusion between the parties' marks and products.

[31] First, regarding Raymond Dutil's second affidavit, although it adduces into evidence the applicant's Canadian and international sales figures showing its gross and net revenue, this has no bearing on the Registrar's finding that the unit cost of the applicant's wares is considerably less than that of the respondent's wares and is therefore not comparable. Moreover, the Registrar never denied the fact that the applicant enjoyed an enviable reputation amongst mountain biking enthusiasts in Canada. However, she concluded that this evidence was insufficient to support the applicant's claim that its trade-mark had become well known within the general population in Canada.

[32] Also, despite the fact that the evidence submitted indicating that the applicant invests a considerable amount in marketing and advertising could be relevant to the distinctiveness of the applicant's mark, this evidence is not sufficient in light of the evidence as a whole to have a significant effect on the reasons for the Registrar's decision.

[33] Second, the applicant adduced evidence that the channels of trade for the applicant's and respondent's wares were connected, since the applicant and General Motors of Canada Limited (GMCL) had at one time entered into a distribution agreement with GM dealers, and that car manufacturers were frequently associated with bicycle manufacturers. In support of this, the applicant gave the example of a licence granted by the manufacturer of JETTA cars to the manufacturer of TREK bicycles and a licence it had obtained from PEUGEOT. As the respondent points out, the existence of these licences constitutes hearsay, and the Court cannot give any weight to this argument in light of the absence of evidence. Furthermore, the Court

notes that the agreement signed between the applicant and GMCL was a limited-time offer under which purchasers of a (GM) car would receive a free ROCKY MOUNTAIN bicycle. The agreement is clear on this point: it is not a licence and therefore cannot constitute one of the applicant's usual channels of trade.

[34] In addition, the evidence shows that this marketing agreement was entered into in 1999 and has not been renewed since. The applicant also admitted that ROCKY MOUNTAIN wares were normally sold by authorized retailers in sports shops (Affidavit of Raymond Dutil, para 50). Accordingly, the Court is of the view that the Registrar's decision with respect to the different channels of trade for the applicant's and respondent's wares would not have been materially affected by the new evidence filed by the applicant.

[35] Third, regarding the affidavit of Thelma Thibodeau, the Court finds that it contains no useful or probative evidence in support of the applicant's position that there is confusion, as there is no connection between the bicycle manufacturers and the sale of bicycle racks by car dealerships.

[36] Having analyzed the applicant's two new affidavits, this Court cannot accept its submissions, as the new evidence is not sufficiently significant in light of the whole of the evidence; accordingly, it would not have changed the Registrar's decision. This Court is therefore obliged to maintain a deferential stance.

3. *Did the Registrar err in finding that there was no confusion between the applicant's ROCKY MOUNTAIN and ROCKY MOUNTAIN BICYCLES marks and the respondent's mark?*

[37] Starting from the principle that each case must be examined individually from the perspective of the “casual consumer somewhat in a hurry” having an imperfect recollection (*Mattel, supra*, at para 56) and from the factors to consider under subsection 6(5) of the Act, the respondent submits that there is no confusion and that it has met its burden of showing that no likelihood of confusion exists.

[38] With respect to distinctiveness, the respondent relies on *United Artists Corp. v Pink Panther Beauty Corp.*, [1998] 3 FC 534, [1998] FCJ No 441, at para 23, in which the Federal Court of Appeal explains the difference between the inherent distinctiveness of a mark and the acquired distinctiveness of a mark:

[23] The first item listed under subsection 6(5) is the strength of the mark. This is broken down into two considerations: the inherent distinctiveness of the mark, and the acquired distinctiveness of the mark. Marks are inherently distinctive when nothing about them refers the consumer to a multitude of sources. Where a mark may refer to many things or, as noted earlier, is only descriptive of the wares or of their geographic origin, less protection will be afforded the mark. Conversely, where the mark is a unique or invented name, such that it could refer to only one thing, it will be extended a greater scope of protection.

[39] In this case, the Registrar pointed out that the ROCKY MOUNTAIN mark was less distinctive as it could easily be associated with mountain bikes and that its name derived from the Rocky Mountains. At the hearing, the applicant submitted, with reference to Exhibit Berry F-1, that it was unreasonable for the Registrar to find that its trade-mark had greater suggestive

connotation, as the respondent's mark also refers to the Rocky Mountains, being composed of a line of peaks. The applicant also submits that the Registrar rendered an unreasonable decision by segmenting part of the mark – ROCKY into ROCK – and drawing a negative inference therefrom.

[40] On the other hand, the respondent submits that this new evidence regarding the image used by the respondent is not determinative on its own and would not have affected the Registrar's decision. The respondent also submits that the applicant's evidence is insufficient to show that the word ROCK is more closely connected with music than with mountains. The Court attaches no weight to the applicant's argument on this issue, because even if the Registrar's conclusions on this factor should have been neutral, it was just one factor that had to be considered together with so many others. The Registrar's decision on this point is therefore reasonable.

[41] Relying on *American Motors Corp. and American Motors (Canada) Ltd. v Canada Cycle and Motor Co. Ltd.*, (1978) 42 CPR (2d) 287, at p 288, and *Porsche*, the respondent submits that despite the fact that cars and bicycles are both modes of transportation, they are fundamentally different. The respondent also argues that the potential car buyer is fully aware that none of the North American car companies manufactures bicycles and that for this kind of purchase, the average consumer exercises care. Moreover, the likelihood of confusion is considerably reduced when we compare the sale price of the two types of wares. The respondent submits that when the parties' wares are expensive, the likelihood of confusion is reduced.

[42] This Court finds that the evidence submitted does not show that the average consumer would see any connection whatsoever between bicycles and cars. Accordingly, there can be no likelihood of confusion between identical marks used by a car manufacturer and a bicycle manufacturer. Contrary to the applicant's submissions, even though the wares are not in the same category, the weight accorded by the Registrar to the nature of the wares was not unreasonable in and of itself.

[43] The factor in the applicant's favour relating to the length of time the trade-marks have been in use is not challenged by the respondent.

[44] The Registrar having raised the applicant's lack of evidence regarding its channels of trade, the applicant submits that its additional evidence addresses this gap. However, this Court is not persuaded that the new evidence establishes the existence of a connection between bicycles and cars and their respective channels of trade. On the contrary, when cross-examined, Mr. Dutil stated that the channels of trade for bicycles were not the same as those for cars (Registrar's Decision, Applicant's Record, Tab 26 at p 839 (p 86, Q 274)).

[45] As for the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them, the respondent claims that the words MOUNT and ROCK suggest the idea of bicycle-related wares. The applicant submits that its mark is visually and phonetically identical to the respondent's mark. Despite the fact that this Court agrees with the applicant's argument on this factor and that, as mentioned by the Registrar, it is in the applicant's favour,

this Court also agrees with the Registrar that the factor is not determinative in light of the evidence as a whole and does not tip the balance in the applicant's favour.

[46] With respect to the additional surrounding circumstances, such as the state of the Trade-marks Register, the applicant claims that ten registrations including the word ROCK are an insufficient basis from which to draw conclusions about the market. This Court cannot accept that argument, as the Registrar's analysis is based on the case law and is not at all unreasonable. It should also be noted that the respondent rightly cites the relevance of *Park Avenue Furniture Corp. v Wickes/Simmons Bedding Ltd.* (F.C.A.), [1991] FCJ No 546, 130 NR 223, according to which seven relevant registered trade-marks are a sufficient basis from which to draw conclusions about the state of the market in a state-of-the-register analysis.

[47] The respondent also points out that the applicant, by its own conduct, has acknowledged that there is no risk of confusion between the same marks used for cars and bicycles, as the applicant has used several car marks for its bicycles from a list of 20 previously registered trade-marks, e.g. Mustang, Targa, Seville and Navigator. The Court also agrees with the respondent's statements that it was reasonable for the Registrar to reject the applicant's argument relating to the existence of primary and secondary marks, since the *Trade-marks Act* makes no such distinction.

[48] For the reasons above, this Court is of the view that the Registrar did not err in finding that there was no confusion between the applicant's ROCKY MOUNTAIN and ROCKY MOUNTAIN BICYCLES marks and the respondent's mark.

JUDGMENT

THE COURT ORDERS AND ADJUDGES that

1. the applicant's appeal is dismissed with costs;
2. the decision dated November 17, 2008, in which the Registrar of the Trade-marks Opposition Board refused the opposition of Groupe Procycle Inc. to trade-mark application No 1,152,955, is upheld.

"Richard Boivin"

Judge

Certified true translation
Francie Gow, BCL, LLB

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-333-09

STYLE OF CAUSE: GROUPE PROCYCLE INC. v. CHRYSLER GROUP LLC

PLACE OF HEARING: Montréal, Quebec

DATE OF HEARING: June 22, 2010

REASONS FOR JUDGMENT BY: BOIVIN J.

DATED: September 15, 2010

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