

BETWEEN:

LE ROUET LIMITEE APPELLANT;

AND

LE ROI HOSIERY CO. INC. AND }
THE REGISTRAR OF TRADE } RESPONDENTS.
MARKS }

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Trade Marks—Trade Marks Act R.S.C. 1952-53, c. 49, ss. 2(b)(u), 5, 6(4)(5), 14(1)(a), 16(1)(c)(2)(c)—“Le Roi”—“Le Rouet”—Degree of resemblance in sound—Appeal from decision of Registrar of Trade Marks allowed.

Respondent applied to the Registrar of Trade Marks for registration of the trade mark “Le Roi” used in association with hose for infants and children. The appellant opposed the application. It was the owner of trade mark “Le Rouet” used in association with woollen blankets, scarves, socks, shawls, hosiery, linens, babies’ wear, dresses and woollen sweaters. The Registrar rejected appellant’s opposition and from that decision appellant appealed to this Court.

The main or in fact real and only issue is the pronunciation of the French words “Le Rouet” and “Le Roi” particularly in the case of English speaking hearers.

It was admitted that the two trade marks had been used in Canada simultaneously, the appellant’s regularly since 1945, the respondent’s since 1947.

Held: That the appeal be allowed.

- 2. That in compliance with s. 6 of the Act the degree of resemblance in sound between the two trade marks is deceptively similar and the margin of phonetic differentiation in articulate French between the two commercial names is narrow, even for those attuned to the idiom.
- 3. That although a professor of French literature testified that with correct pronunciation among the “cultured classes” there would be no confusion, habitual correction in speech was not of this world.
- 4. That faulty articulation permeates the current speech of too many Quebecers whose regular idiom is French, and people untrained in French would be more prone to frequent auricular deception.
- 5. That anteriority militates in favour of appellant.

APPEAL from a decision of the Registrar of Trade Marks.

The appeal was heard before the Honourable Mr. Justice Dumoulin at Ottawa.

André Forget, Q.C. for appellant.

David W. Scott for respondents.

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The facts and questions of law raised are stated in the reasons for judgment.

DUMOULIN J. now (July 15, 1963) delivered the following judgment:

This appeal from a decision of the Registrar of Trade Marks, dated March 31, 1959, rejecting an opposition by the appellant to the application of the respondent, Le Roi Hosiery Co. Inc., for registration of the trade mark "Le Roi", Serial number 239,583, was heard, initially at Ottawa, October 7, 1960, before the late Mr. Justice Fournier, who died some months later, leaving this case undecided.

Both parties concurring, the President of this Court, on November 22, 1962, ordered *inter alia*:

1. That both appellant and the respondent Le Roi Hosiery Co. Inc., shall be at liberty to introduce oral evidence at the hearing (or rather re-hearing) of this Appeal in respect of the issue of pronounciation in the French language of the words "Le Rouet" and "Le Roi".

The matter was referred to me and re-argued *in toto* along the lines of discussion reproduced in the Transcription of Evidence, or more accurately of the respective pleas of counsel delivered at the first trial, October 7, 1960.

In point of fact, the real and only basis for the appeal is, as just said, the issue of pronounciation of the French words "Le Rouet" and "Le Roi", particularly in the case of English speaking hearers.

The controversy arose when:

The Applicant (id est the instant Respondent Le Roi Hosiery Co. Inc.) applied, pursuant to the provisions of Section 16(1) of the Trade Marks Act for registration of the trade mark "Le Roi" and claimed use of it since March 12th, 1947, in association with hose for infants and children.

The Applicant claimed the benefit of Section 14 of the Trade Marks Act by virtue of United States registration No. 148,109, dated November 8, 1921. The opponent's predecessor in title, The Quebec Import and Trade Company Limited, made application under the provisions of the Unfair Competition Act, for registration of the trade mark "Le Rouet", being Serial No. 189,641, for use in association with woollen blankets, scarfs, socks, shawls, hosiery, linens, babies' ware, dresses and woollen sweaters. This application was refused due to the existence of registered trade *marks* (emphasis throughout these notes is mine) consisting of the representation of a spinning wheel.

The lines above reproduced are from a true copy on record of the Canadian Registrar of Trade Marks' decision. I note

the plural gender qualifying "trade marks consisting of spinning wheels", which would indicate the granting of several such trade marks. If so, why then refuse another similar request? This said purely for duty's sake, as I do not intend to attach further significance to it.

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The opposition of Le Rouet Limitée to Le Roi Hosiery's application was rejected "pursuant", wrote the Registrar, "to Section 37 of *Trade Marks Act*".

On February 9, 1946, (cf. Notice of Appeal, 6), appellant's original name, Quebec Import and Trade Company Limited, was changed to Le Rouet Limitée, but it is admitted by all concerned (cf. Transcription of Evidence, p. 29, respondent's acknowledgement) that ". . . the two trade marks have been used in Canada simultaneously. The appellant's regularly since 1945, the respondent's regularly since 1947 . . .". And the former, at paragraph 6 of its Notice of Appeal, asserts that ". . . first use of Le Rouet is alleged as of 1st May 1945". Therefore, no weight can derive from certain assertions in paragraphs 5 and 8 of an affidavit signed by Mr. Irving King, Vice-President of Le Roi Hosiery Co., that his firm ". . . has been advertising its hosiery under its trade name Le Roi in the periodical 'Parent's Magazine' which, *I believe*, is circulated in Canada, so that this trade mark Le Roi has been known in Canada since on or about February 1939".

In paragraph 8 this deponent says: "That although . . . sales in Canada were not renewed until March 12, 1947, (exhibit B-2), the first use of the trade mark Le Roi in Canada was on March 7, 1940, when Le Roi Hosiery Co. Inc. introduced its products into the Canadian Market *on an experimental basis* (exhibit B-1)" More and better evidence than a gratuitous "belief" or an "experimental" test, severed by a hiatus of seven years before resumption of business in Canada are required to comply with Section 5 of the Act, hereunder recited in part:

5. A trade mark is deemed to be made known in Canada by a person only if it is used by such person in a country of the Union, other than Canada, in association with wares or services, and

- (a) such wares are distributed in association with it in Canada, or
- (b) such wares or services are advertised in association with it in
 - (i) any printed publication circulated in Canada in the ordinary course of commerce among potential dealers in or users of such wares or services,

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(ii) . . .

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and it has become well known in Canada by reason of such distribution or advertising.

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Prior to 1947 then, it seems sufficiently shown that the respondent's foreign trade mark had not as yet "become well known in Canada".

Counsel for Le Roi Hosiery Co. raised initially the technical point that Le Rouet Limitée's lack of a registered trade mark deprived it of all essential status to contest the application (cf. Transcription of Evidence, middle of page 37), the statutory section relied upon being 14(1)(a), viz:

14. (1) Notwithstanding section 12, a trade mark that the applicant or his predecessor in title has caused to be duly registered in his country of origin is registrable if, in Canada,

(a) it is not confusing with a registered trade mark.

Trade mark is one thing but trade name is another clearly within the purview of the Act as one of two main factors considered, *inter alia*, in section 16(1), s-s. (c) and (2)(c) next quoted:

16. (1) Any applicant who has filed an application in accordance with section 29 for registration of a trade mark that is registrable and that he or his predecessor in title has used in Canada or made known in Canada in association with wares or services is entitled, subject to section 37, to secure its registration in respect of such wares or services, unless at the date on which he or his predecessor in title first so used it or made it known it was confusing with

(c) a trade name that had been previously used in Canada by any other person.

Sub-section (2) is still more in line with the instant facts:

(2) Any applicant who has filed an application in accordance with section 29 for registration of a trade mark that is registrable and that he or his predecessor in title has duly registered in his country of origin and has used in association with wares or services is entitled, subject to section 37, to secure its registration in respect of the wares or services in association with which it is registered in such country and has been used, unless at the date of filing of the application in accordance with section 29 it was confusing with

(c) a trade name that had been previously used in Canada by any other person.

Possibly the recitals above might have been dispensed with by the mere inclusion of section 2(u), the interpretation schedule, reading thus:

(2) . . .

(u) trade name means the name under which any business is carried on, whether or not it is the name of a corporation, a partnership or an individual.

For all useful intents *trade names* and *trade marks* are equally encompassed by our *Trade Marks Act*.

The one and only problem at stake now that preliminary objections are disposed of, consists in a likelihood of phonetic confusion, auricular and verbal, between both commercial styles used, especially among English speaking customers, and such is the grievance uttered in paragraph 3 of appellant's Notice of Appeal, hereafter cited:

(3) On the basis that phonetically "Le Rouet" and "Le Roi" are pronounced in French very similarly, particularly in the Province of Quebec . . . it is submitted that the Registrar of Trade Marks erred in not maintaining the opposition (by Appellant) and not rejecting the application (by Respondent).

On the topic of verbal and auricular confusion, Professor René de Chantal, who describes himself as Head of the Department of French Literature, a section of the Faculty of Letters, University of Montreal, heard by Le Roi Hosiery, exemplified the correct pronunciation of Le Rouet and Le Roi prevalent, contends the witness, among the "cultured classes" of French speaking Canada, adding that he would not be confused whenever that dual designation was spoken in proper form. So far, I quite agree with the learned gentleman, but habitual correction is not of this world; faulty articulation permeates the current speech of too many Quebecers whose regular idiom is French. It goes without saying that people untrained to French, the English Canadians of Quebec and of the other Provinces must, of needs, be more prone to frequent auricular deception.

The margin of phonetic differentiation in articulate French between these two commercial names is narrow, even for those attuned to the idiom. I may say, in all fairness, that my opinion in this matter does not transcend the domain of common knowledge.

Sections 2(b) and more so 6(4)(5), subparagraphs (a)(b)(c)(d)(e) outline with sufficient accuracy the species of confusion that vitiate a competitive trade mark and trade name, Section 2 s-s. (b) reads:

2. (b) "Confusing", when applied as an adjective to a trade mark or trade name, means a trade mark or trade name the use of which would cause confusion in the manner and circumstances described in section 6.

6. (4) The use of a *trade name* causes confusion with a *trade mark* if the use of both the trade name and the trade mark in the same area would be likely to lead to the inference that the wares or services associated with the business carried on under such trade name and those associated

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with such trade mark are manufactured, sold, leased, hired or performed by the same person, whether or not such wares or services are of the same general class.

(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;
- (b) the length of time the trade marks or trade names 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 or trade names in appearance or sound or in the ideas suggested by them.*

This similarity of sound tends to increase, one may infer from the evidence, in the case of purchase orders imparted over the telephone, a medium which often blurs somewhat voice and pronunciation.

The lasting danger of mistaken identity between both styles did not escape the respondent company's vigilance and was duly stressed by it before Mr. A. D. Bailey, the American Examiner of Interferences, on September 29, 1953.

There was filed to serve as evidence in this case by respondent's counsel, and this dispels, I think, the customary objection of *res acta coram foro alieno*, the statutory declaration of Mr. Irving King, Vice-President of Le Roi Hosiery Co. Inc., dated "this 7 day of July, 1958", paragraph 12 of which declares:

12. That referring to the reliance by Claude Vézina (Le Rouet's Managing Director and Treasurer) on the fact that the application by Le Rouet Limitée to register Le Rouet in the United States was successfully opposed by Le Roi Hosiery Co. Inc., it is respectfully submitted that the examiner of interferences in the United States Patent Office who decided this proceeding in favour of Le Roi Hosiery Co. Inc., emphasized that persons in the United States are not sufficiently familiar with the French language, a situation which does not obtain in Canada. The said examiner of Interferences stated at page 3 (should read 4) of his decision:

Insofar as persons sufficiently familiar with the French language are concerned it may be, for reasons suggested by the applicant, that the marks of the parties would be readily distinguishable in every particular, but it is deemed to be otherwise with respect to the much larger class of uninformed purchasers to whom it is believed these marks "Le Rouet" and "Le Roi" would have no significance other than as trade marks of French origin and uncertain pronunciations.

This affidavit was recorded voluntarily although Mr. King had, at the time, the benefit of counsel, who apparently entertained no objection to this evidence.

Next, this same paragraph 12 concludes in the argumentative vein hereunder:

In other words, it is respectfully submitted that, while the arguments made by Le Rouet Limitée in the United States Proceeding were not accepted by the Examiner of Interferences because they were predicated on the premise that the purchasers of the products of the respective parties are familiar with the French language, such premise is applicable to Canadian purchasers.

Consequently the arguments made by Le Rouet Limitée in the United States attempting to establish that the respective marks are distinguishable and their contemporaneous use would not lead to the likelihood of confusion are convincing when applied to purchasers in Canada. In this connection, reference is respectfully made to the bottom of page 2 of exhibit C attached to the affidavit of Claude Vézina.

Respondent's Vice-President adequately appraised the situation as it obtained across the border, but the identical deponent takes a lot for granted, as the saying goes, in proclaiming, *proprio motu*, the existence of widespread bilingualism throughout our country, outside of Quebec Province. If Mr. King possessed a truer awareness of the state of affairs in Canada he would share the prevalent notion that, Quebec excepted, a working knowledge of French and English remains a rarity.

In consequence of Irving King's declaration, the arguments proffered to the United States Trade Mark officer on respondent's behalf are no less admissible before this Court. A probable condition of deceptiveness occasioned *there* also persists *here* and for similar reasons, namely the predominantly English speaking clientele of the contending parties, conclusively revealed by Le Roi Hosiery's exhibit A and Le Rouet's own exhibit A.

Thirty-five wholesale customers appear on the respondent's list, exhibit A, sixteen of which only operate in Quebec Province and, of the latter, five bear English trade names.

In turn, appellant's exhibit A lists twenty important customers of which five operate in Quebec, fourteen in the sister provinces and one, of no concern to us, in the United States. Among the five Province of Quebec stores, two cater mostly to English Canadians and three to French Canadians.

It is trite but true to note the practical results aimed at by any Trade Marks legislation. Peculiarities good or indifferent must be taken as they exist, a truism allowing

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me to re-assert my considered opinion that, however regrettable, hasty and defective articulation of the spoken word in French communities, can hardly be denied, hence, the danger of phonetically confusing these business styles which, even in normal conditions of speech, sound fairly alike.

Obviously, such a risk becomes all the greater with English speaking patrons interested in the purchase of textile and woollen goods offered for sale by both Le Rouet Limitée and Le Roi Hosiery Co. Incorporated.

Finally, the Court, complying with the directions given throughout section 6 and especially in its subsections (5) and 5(e), reaches the conclusion that the degree of resemblance in sound between the trade mark of the respondent and the trade name of the appellant is deceptively similar.

Le Roi Hosiery Incorporated filed its application for registration in Canada of its trade mark (American) on February 22, 1957, and the date of first use here is given as of March 12, 1947 (cf. Irving King's Statutory Declaration, sec. 8).

Le Rouet Limitée first affixed the trade name on similar goods on May 1, 1945, and, on February 9, 1946, obtained supplementary Letters Patent of the Secretary of State for Canada changing its corporate name from Quebec Import Co. to Le Rouet Ltée (cf. Notice of Appeal, s. 6, and respondent's admission, transcript p. 29). Anteriority, therefore, militates in favour of the appellant.

For the above reasons, this appeal is allowed; the decision of the Registrar of Trade Marks, dated March 31, 1959, rejecting an opposition by the appellant to the application of the respondent Le Roi Hosiery Co. Inc. for the registration of the trade mark "Le Roi", Serial No. 239,583, is annulled and set aside.

The appellant is entitled to recover from respondent Le Roi Hosiery Co. Incorporated, all its taxable costs.

Judgment accordingly.