

**OPPOSITION PROCEEDINGS IN CANADA
A Brief Overview**

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INTRODUCTION TO OPPOSITION PROCEEDINGS IN CANADA

The procedure and rules for opposition are found in the *Trade-marks Act* (the “Act”), in the *Trade-marks Regulations*, and also in Practice Notices issued periodically by the Trade-marks Office. A Practice Notice published effective March 31, 2009 has had a significant impact on opposition timelines, for example, restricting the number of benchmark extensions of time possible during the proceedings, as well as introducing “cooling off periods” intended to facilitate settlement. Under the new Practice, practitioners should exercise particular care in calculating deadlines, since there are different timelines for oppositions in respect of applications advertised on or after October 1, 2007, and for those advertised before October 1, 2007.¹

Application Examination and Advertisement

In Canada, trade mark applications are examined on both technical and substantive grounds prior to an application being published for opposition. The substantive examination includes both absolute (e.g. descriptiveness,² name or surname³) and relative grounds (e.g. confusion with a registered mark,⁴ and non-entitlement⁵).

Practitioners should be aware that in Canada, trade mark file histories are public documents, and are available for inspection upon request by any party. An applicant’s responses to objections raised by the Examiner may be obtained from the Trade-marks Office and used against the applicant in an opposition proceeding. Note that the concept of file-wrapper estoppel has no application in

¹ For ease of discussion, deadlines referred to in this paper pertain to trade marks advertised after October 1, 2007. Please consult the Practice Notice dated March 31, 2009 “Practice in Trade-mark Opposition Proceedings”, for a discussion of deadlines applicable to trade marks advertised prior to October 1, 2007.

² Section 12(1)(b) of the *Trade-marks Act*, R.S.C. 1985, c. T-13, as amended (hereinafter “*Trade-marks Act*”)

³ Section 12(1)(a) of the *Trade-marks Act*

⁴ Section 12(1)(d) of the *Trade-marks Act*

⁵ Section 16(1), (2) and (3) of the *Trade-marks Act*

Canadian opposition proceedings.

Only once the examination process has been completed, and any objections overcome, will the application be published for advertisement.⁶ Once approved by the Trade-marks Office, trade marks are advertised in the Canadian *Trade-marks Journal*,⁷ which is published weekly by the federal government.

There is only one trade mark Register in Canada, and accordingly in Canada, all trade mark applications, once approved, will be advertised in the *Trade-marks Journal*. Note that in Canada there is generally no provision for re-advertisement of a trade mark once published (although the Office will, on occasion, re-advertise a mark where it has made a clerical error in the initial advertisement).

Opposing a Trade Mark Application

In Canada, any person⁸ is entitled to start an opposition, provided that such person relies on at least one of the grounds of opposition set out in Section 38 of the *Trade-marks Act* (discussed below). If desired, any number of persons may be named jointly as opponents. Unlike some other jurisdictions, there is no requirement for an opponent in a Canadian trade mark opposition to demonstrate that s/he has standing to bring the opposition, nor does an applicant need to establish that s/he is a “person interested”.⁹

As with trade mark application file histories, materials filed in a Canadian trade mark opposition proceeding are public, and are available for inspection by

⁶ Rule 34 of the *Trade-marks Regulations*, SOR/96-195, as amended (hereinafter “*Trade-marks Regulations*”)

⁷ Trade mark applications are advertised for two months in the Canadian *Trade-marks Journal*

⁸ A “person” is an individual, as well as any legal entity, such as a partnership or corporation, any lawful trade union and any lawful association engaged in trade or business or the promotion thereof

⁹ In particular, in Canada there is no requirement for an opponent to prove “damage” to have standing in opposition proceedings. Contrast opposition proceedings with expungement proceedings pursuant to Section 57 of the *Trade-marks Act*, in which an applicant must establish that it is a “person interested” in order to have standing.

anyone, upon request.¹⁰

Practitioners should be aware that the current practice of the Opposition Board is to strictly manage timelines in opposition proceedings, and extensions of time are therefore limited. Extensions of time beyond the benchmark extensions and cooling-off periods (where applicable) will only be granted in exceptional circumstances.¹¹ Further, the Registrar considers that there is no authority to stay opposition proceedings in Canada.

Steps in an Opposition

An opposition is commenced by filing a statement of opposition and the prescribed fee within two (2) months of the date of advertisement of a trade mark.¹² The opponent may obtain a “benchmark” extension of time¹³ to file its statement of opposition, and may also obtain an additional extension of time in the nature of a “cooling-off period”,¹⁴ (with the applicant’s consent). An opponent

¹⁰ Rule 45(2) of the *Trade-marks Regulations*

¹¹ Exceptional circumstances include circumstances such as co-pending opposition proceedings, a recent change in the party’s instructing principal or trade mark agent, circumstances beyond the control of the individuals concerned, or assignment. Exceptional circumstances typically do not include conducting settlement negotiations, although the Registrar will grant one further extension of time (beyond the benchmark extension) where parties require additional time to finalize and complete settlement negotiations or mediation. In such cases, the Registrar will grant only one extension of time to finalize settlement, of up to three (3) months, on consent. Once either the applicant or the opponent has been granted this extension of time beyond the maximum benchmark to finalize settlement negotiations, the Registrar will not generally grant a further extension of time for the parties to finalize settlement negotiations to any party at any time during the opposition proceeding.

¹² Section 38(1) of the *Trade-marks Act*

¹³ Opponents are permitted one benchmark extension of time of three (3) months to file a statement of opposition

¹⁴ The Registrar will generally grant each party one extension of time in the nature of a cooling-off period, up to a maximum benchmark of nine (9) months, on consent. The Registrar considers that the practice of granting the parties two extensions of time amounting to the possibility of an eighteen month cooling-off period should provide most parties with a reasonable period of time in which to pursue and finalize settlement of the opposition. Accordingly, the Registrar will not generally grant the parties extensions of time in addition to these two nine month extensions of time for the parties to negotiate or mediate the opposition at any other stage of the opposition proceeding. Accordingly, if the parties fail to settle the opposition proceeding within the cooling-off period, the parties must carry-on with the opposition proceeding and comply with the legislative and regulatory requirements, whether or not the parties are continuing their settlement negotiations and/or mediation of the opposition.

may only request this cooling off period extension at the pleading stage prior to filing the statement of opposition, or at the evidence stage, prior to filing its Rule 41 evidence,¹⁵ but not both.

Once an opponent¹⁶ files its statement of opposition with the Opposition Board, the Board will review the statement of opposition to ensure that the pleading raises at least one valid ground of opposition.¹⁷ After review, the Opposition Board will forward the statement of opposition to the applicant, which has two (2) months¹⁸ to file a counter statement. This deadline is extendible, upon request,¹⁹ and the applicant, like the opponent, has the ability to request a “cooling off period” extension of time, with the opponent’s consent. An applicant may only request this “cooling off period” extension at the pleading stage (prior to filing the counter statement), or at the evidence stage, prior to filing its Rule 42 evidence.²⁰

In most cases, the counter statement is simply a denial of the grounds of opposition, but care should be taken to ensure that each ground of opposition is denied.²¹

In Canada, the applicant has the opportunity to challenge the grounds of opposition or the sufficiency of the pleadings by submitting that the statement of

¹⁵ Practice Notice dated March 31, 2009 “Practice in Trade-mark Opposition Proceedings”, section V.1.1 — Extensions of Time Amounting to a Cooling-off Period

¹⁶ Or “opponents”, as applicable. From this point forward, the singular “opponent” will be used throughout

¹⁷ Section 38(5) of the *Trade-marks Act*

¹⁸ Section 38(6) of the *Trade-marks Act*, Rule 39 of the *Trade-marks Regulations*

¹⁹ The applicant may request a two (2) month benchmark extension of time to file its counter statement

²⁰ Practice Notice dated March 31, 2009 “Practice in Trade-mark Opposition Proceedings”, section V.1.1 — Extensions of Time Amounting to a Cooling-off Period

²¹ This point is highlighted in the recent case of *Garbo Group Inc. v. Harriet Brown & Co.* (2009), 74 C.P.R. (4th) 391 (TMOB), in which the opponent filed an amended statement of opposition containing a new ground, after the applicant had filed its counter statement specifically denying each of the grounds contained in the original statement of opposition. The applicant did not file an amended counter statement denying the new ground of opposition, nor did it file any evidence or argument. While the new ground likely succeeded primarily due to the applicant's failure to file any evidence or argument, the Hearing Officer stated at para. 12: “The [new] ground, *having been neither denied nor rebutted*, succeeds” (emphasis added).

opposition is deficient. Objections can be made by letter to the Trade-marks Office following the receipt of the statement of opposition, and should identify the specific objections to any particular grounds. The Trade-marks Office will follow up with a letter to the opponent, confirming that objections have been raised, and in some cases, indicating that the pleadings will be struck unless a response is filed. The opponent is given a defined period of time within which to respond. Other deadlines, for example, for filing a counter statement, continue to run during this term, and applicants should be careful to request any necessary extensions of time, pending finalization of the grounds of opposition.

Failure of the applicant to file a counter statement will result in the abandonment of the application.²² Once, however, a counter statement is filed, the opponent may then file and serve its evidence,²³ in the form of affidavits or statutory declarations, as discussed in more detail below. Alternatively, the opponent may file a statement that it will not be filing evidence. Once the opponent's evidence (or statement that it is not filing evidence, as the case may be) has been filed, the applicant may file its own evidence (or statement that it will not be filing any evidence).²⁴ After the applicant has filed its evidence, the opponent may, if it so wishes, file evidence in reply.²⁵ According to the Opposition Board, opponents file reply evidence in only 1% of oppositions.

²² Section 38(7.2) of the *Trade-marks Act*

²³ Section 38(7) of the *Trade-marks Act*, Rule 41 of the *Trade-marks Regulations*. The opponent has four (4) months (extendible to seven (7) months) to file its Rule 41 evidence. A further extension of up to nine (9) months in the nature of a cooling-off period is permitted, if the opponent did not previously request a cooling-off period extension prior to filing its statement of opposition. The Registrar will generally not grant any further extensions of time, absent exceptional circumstances.

²⁴ Section 38(7) of the *Trade-marks Act*, Rule 42 of the *Trade-marks Regulations*. The applicant has four (4) months (extendible to seven (7) months) to file its Rule 42 evidence. A further extension of up to nine (9) months in the nature of a cooling-off period is permitted, if the applicant did not previously request a cooling-off period extension prior to filing its counter statement. The Registrar will generally not grant any further extensions of time, absent exceptional circumstances.

²⁵ Section 38(7) of the *Trade-marks Act*, Rule 43 of the *Trade-marks Regulations*. The opponent has one (1) month to file its reply evidence, and this deadline is extendible by four (4) months, on consent. The Registrar will generally not permit any further extensions of time, absent exceptional circumstances.

Cross-examination is available in respect of any affidavit or statutory declaration that has been filed as evidence in an opposition, following a request by the party seeking cross-examination, and pursuant to an order of the Opposition Board.²⁶ The request will not normally affect the time limits for the next stage in the opposition, unless the request for cross-examination is made within a prescribed period (which differs, depending upon whether the trade mark was advertised before or after October 1, 2007), and is accompanied by a request for an extension of time. In practice, many parties request and receive cross-examination orders because these result in the requesting party having additional time to file its evidence. According to the Opposition Board, however, despite the number of requests for cross-examination orders, only a minority of those parties requesting cross-examination orders actually conducts cross-examinations.²⁷

Where a deponent is from outside of Canada, s/he will have to make herself/himself available in Canada for cross-examination. As a result, parties should select their deponents with care. Note that failure by a deponent to attend a cross-examination will result in the affidavit or statutory declaration being deemed not to be part of the evidence.²⁸

The party requesting the cross-examination bears the cost of all expenses necessary with respect to the cross-examination procedure, including the hiring of a reporter and the preparation and delivery of a copy of the transcript to the Registrar. The party whose deponent is being cross-examined will bear the cost of all expenses it incurs, including expenses incurred to obtain copies of the transcript, and to have its deponent and trade mark agent present at the cross-examination.

Once the evidence stage of the proceedings has been completed, the parties

²⁶ Rule 44(2) of the *Trade-marks Regulations*.

²⁷ According to the Opposition Board, between January 2005 and March 2010, only 37% of parties requesting cross-examination orders actually conducted cross-examinations.

²⁸ Rule 44(5) of the *Trade-marks Regulations*

may each prepare and file written arguments, which are optional.²⁹ Written arguments are filed with the Trade-marks Office, which will then forward a copy of a party's written argument to the other party once both sides' written arguments have been filed, or once the deadline for filing written submissions has passed.

Either party can then request an oral hearing.³⁰ Only parties who specifically confirm that they intend to attend the hearing and/or make submissions at the hearing can participate in the hearing. A party who does not request a hearing should not assume that if the other party requests the hearing, its representative can attend and/or make submissions. The prudent response to a hearing notice should either be to request a hearing, if appropriate, or advise that the party wishes to participate, if the other party requests a hearing.³¹ Prior to the hearing date, the parties are required to provide one another and the Registrar with their list of case law on which they will rely (if not mentioned in the parties' written arguments), as well as copies of any unreported decisions on which they intend to rely upon at the hearing.³² Oral hearings are optional, and may be held in person in Ottawa before a member of the Opposition Board, or via the telephone.

As mentioned, failure to participate at the pleadings or evidence stages (that is, failing to file either evidence or a statement that the party will not be filing any evidence) of the proceedings can result in the deemed abandonment of the application, for the applicant, or the opposition, for the opponent.³³ Retroactive extensions of time are permitted in certain circumstances,³⁴ and may be granted

²⁹ Rule 46 of the *Trade-marks Regulations*

³⁰ Rule 46(4) of the *Trade-marks Regulations*

³¹ See, for example, *Primo Bedding v. HSM Pressen* (2009), 72 C.P.R. (4th) 370 (TMOB), where the opponent did not request the right to be heard, but arrived (late) at the hearing, and requested a retroactive extension of time to be heard, which was denied.

³² See the Practice Notice entitled "Practice in Trade-mark Opposition Proceedings", effective March 31, 2009

³³ Sections 38 (7.1) and 38 (7.2) of the *Trade-marks Act* and Rules 41(2) & 42(2) of the *Trade-marks Regulations*

³⁴ Section 47(2) of the *Trade-marks Act*. No request for a retroactive extension of time pursuant

after the passing of the statutory deadline, after an extension has been granted, or, possibly, even after the deemed withdrawal of an opposition or deemed abandonment of an application, provided the Registrar has not rendered a final decision in the matter.³⁵ The Opposition Board has in recent years begun granting retroactive extensions after the deemed abandonment of an application.³⁶

When acting for either an applicant or an opponent, care must be taken to thoroughly prepare for the opposition. Vigilance must be exercised throughout the proceedings to evaluate the grounds of opposition and the evidence, and to decide whether amendments should be made to the application or the statement of opposition, or whether the evidence already filed should be supplemented. The relevant date for many issues in the opposition is the date of the decision, as discussed below, suggesting that the parties must constantly consider whether new facts should be adduced.

The facts upon which a party wishes to rely in an opposition may fluctuate throughout the proceedings. During that time, trade marks may be cancelled or expunged, new marks may issue to registration or be published for opposition, and the extent and nature of use may change, making it vital for the parties to

to s. 47(2) of the Act will be granted unless the party seeking the retroactive extension of time supports the request with sufficient facts for the Registrar to be satisfied that the failure of the party to meet its deadline or apply for an extension within the time limit was “not reasonably avoidable”

³⁵ See *Bereskin & Parr v. Cie de Literie Provinciale Ltée* (2005), 48 C.P.R. (4th) 298 at 301 (per Savard, TMSHO).

³⁶ In *Bensusan Restaurant Corp. v. Blue Note Restaurant Inc.* (2000), 10 C.P.R. (4th) 550 (T.M.O.B.), the applicant failed to file its evidence before the deadline. Two months after the deadline (but before the notice of deemed abandonment was issued), the applicant applied for a retroactive extension of time. The Opposition Board upheld the retroactive extension as within the Registrar’s jurisdiction for two primary reasons. First, the Supreme Court of Canada has stated that the application of the doctrine of *functus officio* to administrative tribunals should be flexible and “[a]ccordingly, the principle should not be strictly applied where there are indications in the enabling statute that a decision can be reopened in order to enable the tribunal to discharge the function committed to it by enabling legislation” (*Chandler v. Alberta Assn. of Architects*, [1989] 2 S.C.R. 848). Second, Section 47 “gives the Registrar an unfettered discretion to grant an extension of time, including a retroactive extension of time, when he deems it appropriate to do so,” and thus “a strong argument can be made that the Registrar can reopen the opposition process after there has been a deemed abandonment or withdrawal under s. 38” (p. 554).

keep on top of the proceedings, and to make sure all relevant grounds of opposition have been pleaded and all relevant evidence has been filed.

Grounds of Opposition

Unlike in other jurisdictions, an opponent in a Canadian opposition may rely upon both technical and substantive grounds. As a result, mistakes made during filing frequently come back to haunt applicants.

There are four possible grounds of opposition in Canada:

- i) non-compliance with Section 30 (pertaining to technical deficiencies in the application);³⁷
- ii) non-registrability,³⁸ referring to all of the factors in Section 12(1), including name or surname,³⁹ descriptiveness,⁴⁰ confusion with a registered trade mark,⁴¹ or marks that are contrary to Section 9 or 10;⁴²
- iii) non-entitlement,⁴³ referring to prior use or making known of a confusingly similar trade mark or trade name, or to a confusing trade mark in a previously filed trade mark application; and
- iv) non-distinctiveness.⁴⁴

Each of these will be discussed in more detail below.

³⁷ Section 38(2)(a) of the *Trade-marks Act*

³⁸ Section 38(2)(b) of the *Trade-marks Act*

³⁹ Section 12(1)(a) of the *Trade-marks Act*

⁴⁰ Section 12(1)(b) of the *Trade-marks Act*

⁴¹ Section 12(1)(d) of the *Trade-marks Act*

⁴² Section 12(1)(e) of the *Trade-marks Act*

⁴³ Section 38(2)(c) of the *Trade-marks Act*

⁴⁴ Section 38(2)(d) of the *Trade-marks Act*

An opponent must set out all of the grounds upon which it wishes to rely in its statement of opposition. If a particular ground is not claimed, it may be difficult for an opponent to later argue that the application ought to be refused on that ground. Normally, the Opposition Board will not make decisions based on grounds of opposition not pleaded, however, if the evidence and argument make it clear that a ground is being relied upon, even if not properly pleaded, and especially where the applicant responds to the argument, the Registrar may consider the ground.⁴⁵

The Regulations under the Act state that no amendment may be made to a statement of opposition without leave of the Registrar, and upon such terms as she deems appropriate.⁴⁶ The current (and former) Practice Notice on oppositions suggests that amendments are to be permitted when “it is in the interests of justice to do so having regard to all the surrounding circumstances including a) the stage the opposition proceeding has reached; b) why the amendment was not made... earlier; c) the importance of the amendment...; and d) the prejudice which will be suffered by the other party”. In practice, the Opposition Board, in considering a request for an amendment to the statement of opposition, will ask the applicant for its comments, and will then, in the vast majority of cases, approve the amendment. If the Registrar invites the opponent to amend its statement of opposition in response to an amendment made to the application, the opponent should seriously consider doing so. Similarly, if the Registrar invites an applicant to amend its counter statement in response to an amendment made to a statement of opposition, the applicant should seriously consider doing so.⁴⁷

⁴⁵ See *Coastal Culture Inc. v. Wood Wheeler Inc.* (2007), 57 C.P.R. (4th) 220 (F.C.T.D.), supplementary reasons at 2008 FC 753

⁴⁶ Rule 40 of the *Trade-marks Regulations*

⁴⁷ See *Garbo Group*, *supra* note 20

a) Non-compliance with Section 30

Practically, many issues can be fitted into these grounds, which pertain to errors made at the time of filing of an application. Some common grounds include non-compliance with:

- Section 30(a) (wares and services must be in ordinary commercial terms);
- Section 30(b) (the application must include the date from which the trade mark was first used);
- Section 30(e) (if there has been no use, a statement that the applicant intends to use the trade mark);
- Section 30(h) (the trade mark must be depicted accurately); and
- Section 30(i) (the applicant must state that it is satisfied of its entitlement to use the trade mark).

b) Non-registrability

Non-registrability refers to the factors set out in Section 12(1) of the *Trade-marks Act*. In an opposition, the most common grounds are Section 12(1)(a), that the trade mark is primarily merely a name or surname; Section 12(1)(b), that the trade mark is clearly descriptive or deceptively misdescriptive; or Section 12(1)(d), that the trade mark is confusing with a registered trade mark.

c) Non-entitlement

An opposition on Section 16 non-entitlement grounds involves an assessment of the relative priority rights between two allegedly confusing trade marks, or a trade mark and a trade name. Under these grounds, the Board will consider whether the applicant's mark is confusing with a trade mark previously used or made known in Canada, or with a trade mark in respect of which an application for registration had been previously filed in Canada, or with a trade name previously

used in Canada.

The key difference between an opposition under Section 12(1)(d) (i.e. confusion with a registered trade mark) and one under Section 16 (i.e. non-entitlement) are the material dates, depending on the ground of filing. Otherwise, the confusion analysis is the same and the Opposition Board will frequently come to the same conclusion for a ground of opposition under s. 16 as they come to for a s. 12(1)(d) ground, on the condition that the difference in material dates is not material to the decision (it generally is not material and both analyses, if conducted, will tend to arrive at the same outcome).

d) Non-distinctiveness

A trade mark may be non-distinctive for several reasons: it may be confusing with a previously used trade mark or trade name or a registered trade mark; it may be clearly descriptive or generic, and thus not a trade mark, and thus cannot distinguish any one; or it may be a term that has developed a trade meaning.⁴⁸ In most oppositions, the ground relates to confusion with the trade mark of the opponent, and/or others. Non-distinctiveness may be shown by reference to the marks of third parties.⁴⁹

In order to succeed on the ground of lack of distinctiveness, “it is sufficient to establish that the opponent’s mark has become known sufficiently to negate the distinctiveness of the mark under attack.”⁵⁰

The Federal Court clarified the appropriate test for this ground in *Bojangles’*

⁴⁸ As in Section 10 of the *Trade-marks Act*

⁴⁹ See *Credit Union Central of Canada v. Community Credit Union Ltd.* (2005), 48 C.P.R. (4th) 226 (T.M.O.B.), in which the Board, in its discussion of the distinctiveness ground of opposition, stated at 237 that “the opponent may rely on its evidence of use of the words COMMUNITY CREDIT UNION by third parties, even though such parties were not identified in the statement of opposition”

⁵⁰ See *Motel 6, Inc. v. No. 6 Motel Ltd. et al.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D.)

*International LLC v. Bojangles Café Ltd.*⁵¹: “A mark must be known to some extent at least to negate the established distinctiveness of another mark, and its reputation in Canada should be substantial, significant or sufficient.”

Non-distinctiveness and confusion under Sections 12(1)(d) (confusion with a registered mark) or 16 (confusion with a mark previously used, made known, or the subject of a previously filed application) of the Act are related, since if the applicant’s mark is found to be confusing with that of the opponent, it cannot, by definition, be found to be distinctive of the applicant. It is perhaps no surprise, then, that a majority of decisions that based an opposition on confusion also include a ground of opposition based on non-distinctiveness.

Confusion

The test for confusion is set out in Section 6(2) of the Act, and is whether, as a matter of first impression in the mind of an average consumer having a vague or imperfect recollection of another mark, the use of both marks in the same area and in the same manner is likely to lead to an inference that the wares associated with those marks are produced or marketed by the same company.⁵² Consideration is given to all of the surrounding circumstances, including those specifically set out in Section 6(5) of the Act:

- (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;

⁵¹ 2006 FC 657

⁵² See: *Polo Ralph Lauren Corp. v. United States Polo Assn.* (2000), 9 C.P.R. (4th) 51 (FCA) and *Dion Neckware Ltd. v. Christian Dior, S.A.* (2002), 20 C.P.R. (4th) 155 (FCA) [hereinafter “*Dion Neckware*”]

(d) the nature of the trade;

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

(f) other surrounding circumstances, e.g. well-known/famous marks, family of trade marks, English/French trade marks, agreements between parties, state of the marketplace, co-existence in other jurisdictions, evidence/lack of evidence of actual confusion.

The weight to be given to each factor will depend on the circumstances. In practice, the Opposition Board will review and weigh evidence pertaining to each of the Section 6(5) factors, and make a finding of whether the factor favours either the applicant or the opponent. If a determinative conclusion cannot be reached after evaluating all the evidence, then the issue must be decided against the applicant.⁵³ The test is on “the balance of probabilities”, rather than “beyond a reasonable doubt”.⁵⁴

Unlike in the United States, where a ‘famous’ mark is defined in the *Trademark Dilution Revision Act 2006*, Canada has no statutory definition of ‘famous’ marks. Rights are determined by analyzing confusion, passing off or depreciation of goodwill.

Historically, Canadian courts have granted some level of special protection to famous marks against marks with which they might be confused, even where there was a dissimilarity between the parties’ goods or services. In 2006, however, the Supreme Court of Canada rendered decisions in *Mattel Inc. v. 3894207 Canada Inc.*⁵⁵ and *Veuve Clicquot Ponsardin v. Boutiques Cliquot*,⁵⁶

⁵³ See *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (FCTD)

⁵⁴ *Dion Neckware*, *supra* note 52

⁵⁵ 2006 SCC 22 [hereinafter “*Matte!*”]

which clarified previous caselaw and shed new light on the scope of protection to be afforded to famous marks. Following *Mattel* and *Veuve Clicquot*, a trend has emerged in which the courts appear to be reluctant to recognize the ability of famous marks to transcend the goods and services with which they were associated.

Opponents that are owners of famous marks must be mindful of the evidence required in order to claim successfully over applicants that participate in unconnected markets. While the fame of a mark is an important factor for the Opposition Board or Courts to consider while assessing the likelihood of confusion, all the surrounding circumstances are to be considered (as discussed below), including evidence of consumer confusion and the connection between the goods and services of the parties.

Evidence

There is a direct correlation between the pleadings (both the allegations made in the statement of opposition and the denial of those allegations in the counter statement) and the evidence that must be adduced in support of those pleadings. Consequently, when acting for either an applicant or an opponent, it is important to remain vigilant throughout the proceedings to evaluate the grounds and the evidence, and to decide whether amendments should be made to the application or the statement of opposition, or whether the evidence should be supplemented. Care should also be taken not to file evidence that could be used against the submitting party.

Relevant Dates

The relevant date is the last date on which evidence relating to a particular ground will be considered admissible. The question of relevant date is critical to both the grounds of opposition and the evidence that can be filed by the parties in an opposition. Furthermore, the ability of an opponent to amend its application

⁵⁶ 2006 SCC 23 [hereinafter "*Veuve Clicquot*"]

to add a new ground of opposition is affected by whether the relevant date for that ground is the application date, the date of the Statement of Opposition, or the hearing date.

Although the Act and cases make it clear that there are, in fact, several relevant dates, which depend upon the specific ground of opposition, in general the relevant dates are as follows:⁵⁷

- (i) non-compliance with section 30 – the filing date of the application;
- (ii) non-entitlement – the filing date of the application (for applications based on proposed use and use and registration abroad), the date of first use or making known (for applications based upon either use or making known), or the convention priority date;
- (iii) non-registrability – date of the opposition decision; and
- (iv) non-distinctiveness – date of the original or amended statement of opposition.

Form and Content of Evidence

As mentioned above, evidence in an opposition proceeding is submitted in either affidavit or statutory declaration form.⁵⁸

Evidence should conform to the rules of evidence applicable in the Federal Court with respect to the filing of affidavits or statutory declarations. Not only is that standard required of evidence filed in the Trade-marks Office, but, since opposition evidence may be relied upon at an appeal to the Federal Court, the requirements of that Court should be met. However, it should be noted, that the

⁵⁷ For the sake of simplicity, a ground-by-ground analysis of the relevant dates is not included in this paper.

⁵⁸ Rules 41 to 43 of the *Trade-marks Regulations*

Registrar does not always "strictly adhere to the rules of practice in the Federal Court".⁵⁹

All evidence intended to be relied upon in the opposition should be filed as part of the opposition proceeding, including affidavits filed during prosecution in support of a Section 12(2) (acquired distinctiveness) or Section 14 (the mark is not without distinctive character in Canada) claim.⁶⁰

A serious problem for participants in opposition proceedings is the absence of a forum for dealing with objections to evidence filed, or the failure to respond to questions on cross-examination, except in written submissions or in a hearing after the completion of the evidence. No procedure exists for interlocutory determination of these issues.

a) Certified Copies

The requirement that copies of registrations or other portions of Trade-marks Office files be certified (pursuant to Section 54 of the Act) is generally strictly enforced, particularly where there is no other admissible evidence before the Opposition Board.⁶¹

However, as an exception to the general requirement that registrations be certified, where reference is made in a statement of opposition to a trade mark

⁵⁹ See *Maximilian Fur Co., Inc v. Maximilian for Men's Apparel Ltd.* (1983), 82 C.P.R. (2d) 146 at 149 (T.M.O.B.) where the Board accepted exhibits that were not properly notarized

⁶⁰ In *Southam Business Information and Communications Group Inc. v. Medical Publications, Inc.* (1991), 40 C.P.R. (3d) 247 (T.M.O.B., per Partington), the Hearing Officer stated that evidence filed in support of a Section 12(2) claim during prosecution must be served and filed in the opposition if the applicant intends to rely upon it. Presumably, the same would apply to evidence filed pursuant to Section 14. If challenged, an applicant must still prove the distinctiveness of its trade mark.

⁶¹ See, for example, *War Amputations of Canada v. Faber-Castell Canada* (1992), 41 C.P.R. (3d) 557 (T.M.O.B.), where the file history of the opponent's registered mark was not considered because it had not been certified (see also *Gingras v. Hairabedian* (2007), 63 C.P.R. (4th) 186 (T.M.O.B.))

registration and that registration forms the basis of an allegation that the applicant's trade mark is not registrable pursuant to section 12(1)(d), the Registrar, "having regard to the potential public interest in having such a ground of opposition raised, does consider it appropriate to exercise his discretion to check the register".⁶²

The electronic Register is now the official Register, for the purpose of obtaining certified copies.⁶³

b) Affidavits and Statutory Declarations

As noted above, Rules 41 to 43 of the Regulations require that evidence in opposition proceedings be filed in the form of either affidavits or statutory declarations. Unsworn submissions in letter form have been found to be inadmissible.⁶⁴

Technical Sufficiency

The Opposition Board has been somewhat inconsistent in its approach to handling technical arguments about the sufficiency of evidence. For example, questions regarding the proper notarization of affidavits and declarations have been resolved both for and against the parties filing such evidence. As a general rule, failure to submit evidence via affidavit or statutory declaration will result in the unsworn or improperly notarized evidence being found to be inadmissible,⁶⁵

⁶² *PepsiCo., Inc. v. 100777 Canada Inc.* (2006), 58 C.P.R. (4th) 71 at 78 (T.M.O.B.), citing *M&K Stereo Plus Ltd. v. Broadway Sound Plus Ltd.* (1984), 3 C.P.R. (3d) 410 (T.M.O.B.)

⁶³ See the Practice Notice, dated May 21, 1997, entitled "Electronic Register"

⁶⁴ See *Hasbro Canada Inc. v. Nelson et al.* (1999), 2 C.P.R. (4th) 260 (T.M.O.B., per Partington) and *Hebdo Science et le Conseil de Développement du Loisir Scientifique v. John Labatt Ltd.* (1988), 22 C.P.R. (3d) 378 (T.M.O.B.)

⁶⁵ See, for example, *Rogers Broadcasting Ltd. v. Chum Ltd.* (1990), 34 C.P.R. (3d) 102 (T.M.O.B.), where the opponent's affidavit was found inadmissible because it was not sworn before a notary; *GD Express Worldwide NV v. Skyward Aviation Ltd.* (2000), 7 C.P.R. (4th) 348 (T.M.O.B.), where the Opposition Board refused an affidavit, jointly signed by two affiants, when it was not clear whether the affiants had been administered an oath by the notary, and there was no evidence to indicate that the affidavit was validly made in the form prescribed by the law of the

although in some cases, however, the Board has admitted unsworn evidence.⁶⁶ With respect to unnotarized or incorrectly notarized exhibits, the Board's position has also been inconsistent. In some cases, the Registrar has apparently been willing to allow an opposite party to take advantage of such a technical objection.

Substantive Requirements

In addition to the requirements for technical sufficiency, affidavit evidence must meet substantive requirements. To be given weight, such evidence must be more than a statement that the attached exhibits support the application.

The content of affidavits will depend upon the particular grounds of opposition relied upon. For example, any affidavit alleging confusion with a registered trade mark must include proof of the registered trade mark, by certified copy, or other suitable evidence showing the ownership and status of the registration, as well as the factors which address the issue of confusion as set out in Section 6(5) of the Act (discussed above). However, it is not enough to mechanically go through those provisions, and gather facts on the length of use, or the details of the wares

country where it was signed; and *Sara Lee Global Finance LLC v. Abderahamane Magagi* [2006] T.M.O.B. No. 106 (June 19, 2006) (T.M.O.B., per Carrière), where the Hearing Officer, on his own, raised at the hearing stage that the opponent's affidavit was not signed by a person entitled to receive the affiant's oath. After hearing submissions from the parties on both whether the Registrar can raise such a deficiency and the consequences of the deficiency, the affidavit was disregarded.

⁶⁶ See, for example, *Niagara Motive Supply Co. Ltd v. Fournier* (1978), 46 C.P.R. (2d) 231 (T.M.O.B.). In *Datascope of Canada Ltd. v. Datascope Corp.* (1998), 81 C.P.R. (3d) 420 (F.C.T.D.), the Court agreed with the Board's decision that three unsworn declarations filed by the applicant were acceptable, on the following grounds: the declarants had been cross-examined by the opponent; had admitted under oath that the contents of the declarations were true; and the opponent seemed to accept the declarations was valid. These facts "should prevent the opponent from contesting the validity of the declaration at a final stage in the proceedings" (at p. 424, quoting the Opposition Board decision). The Court cited and agreed with the decision in *Saccon (Litigation Guardian of) v. Sisson* (1992), 9 C.P.C. (3d) 383 (Ont. Ct. (Gen. Div.)), which held that, where an affiant is cross-examined under oath with respect to the content of an affidavit improperly executed, the evidence elicited on cross-examination is admissible. See also *Boyer Candy Co. v. Hershey Canada Inc.* (2001), 21 C.P.R. (4th) 257 (T.M.O.B.), where the Hearing Officer held that the affidavits were inadmissible since they were signed in one location and commissioned in another. Since they were not properly sworn before a Commissioner of Oaths, they were not properly executed. However, each of the deponents was cross-examined and the Hearing Officer held that the information given at the cross-examination, which was given under oath, was admissible.

or services. In preparing evidence, the opponent or agent should be considering how the evidence would be used to prove or disprove the points intended to be argued in the opposition. In addition, the party preparing the evidence must be aware of common evidentiary problems of opposition evidence, namely who has the burden or onus of proof, the evidentiary burden on each party in the opposition, hearsay and relevant dates. Furthermore, the way in which certain information must be proved, such as the state of the Register and public awareness, should be considered.

The applicant's evidence must be free from ambiguity, since it is clear that any ambiguity will prejudice the evidence filed. In addition, the evidence must be persuasive, and not lead to any doubt on the relevant issues. Time and time again in Opposition Board decisions, one reads that there was doubt as to an issue in the opposition, which must be resolved against an applicant. However, as discussed below, with respect to the relevant onus on an applicant, the onus is not to show, beyond reasonable "doubt", that a mark is confusing, registrable, or distinctive, but instead to show that the trade mark should be acceptable "on a balance of probabilities". Applicants should also be aware that the opponent's evidential burden can be met by reference not only to the opponent's evidence but also to the applicant's own evidence.⁶⁷

Guidelines for Exhibits

Every exhibit to an affidavit or declaration filed in an opposition must be filed with the affidavit or declaration.⁶⁸ Further, exhibits must elaborate or particularize evidence given in the affidavit in order to be acceptable.⁶⁹ Beyond these guidelines, and the requirement that exhibits be properly notarized, there are few hard and fast rules regarding the form and content of exhibits.

⁶⁷ See *Labatt Brewing Co. Ltd. v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.)

⁶⁸ Rule 45(1) of the *Trade-marks Regulations*

⁶⁹ *Intuit Inc. v. Brandolini* (unreported) [2002] T.M.O.B. No. 114 (October 15, 2002) (T.M.O.B., per Folz)

One case that parties should be aware of when filing non-paper exhibits (i.e., CD-ROMs, DVDs, Tapes, Cassettes, etc.) is *Novalab Inc. v. Lidl Stiftung & Co. Kg* [2008] T.M.O.B. No. 134 at para. 24 (May 16, 2008) (T.M.O.B., per Tremblay), where, at the oral hearing, the Hearing Officer requested that the applicant provide a paper copy of trade mark searches, originally attached to an affidavit as a CD-ROM. While there are currently no set guidelines regarding electronic exhibits, caution suggests that, until the Board clarifies that CD-ROM and other electronic evidence will be accepted, all important evidence should be filed in paper format. Apparently, however, the Opposition Board is considering the issue of electronic exhibits attached to affidavits, and this may be the subject of a future Practice Notice.

c) Filing Evidence Pursuant to Rule 44(1)

According to previous case law and practice, in considering whether to grant leave to permit the filing of new evidence pursuant to Rule 44(1) of the Regulations, the Board will consider all surrounding circumstances, including: a) the stage the opposition proceeding has reached; b) why the evidence was not filed earlier; c) the importance of the evidence; and d) the prejudice which will be suffered by the other party.⁷⁰

Onus of Proof and Evidentiary Burden

A simple statement of the principles on onus and burden in opposition proceedings might be put this way: an opponent must raise enough evidence pertaining to any of the grounds of opposition upon which it relies to make it plain that facts exist that justify that ground of opposition. Once that is done, the onus shifts to the applicant to prove that the particular ground of opposition should not

⁷⁰ See, for example, the Practice Notice dated March 31, 2009 and *Associated Independent Family Funeral Homes Ltd. v. Service Corp. International (Canada) Ltd.* (2002), 24 C.P.R. (4th) 268 (T.M.O.B.), where an attempt by the opponent to file new evidence five days before the hearing was refused (the decision being rendered as part of the opposition decision on the merits)

prevent registration of its trade mark.⁷¹ Time and time again, opposition decisions refer to the failure of the opponent to discharge an evidentiary burden, and of the applicant to meet its onus.

Regardless of the ground of opposition, the first task for an opponent will be to assess what the opposition is really about, and what evidence is relevant to those grounds. Similarly, for an applicant, the task is to take the opponent's evidence, and decide how best to meet those facts to prove the registrability of the application.

The courts have confirmed that the standard of proof to be met in opposition proceedings is the civil standard. In *Dion Neckware Ltd. v. Christian Dior, S.A.*,⁷² the Court overturned the decision of the Registrar to refuse an application, and held that the Registrar erred in applying a burden more onerous than that applicable in civil proceedings. The Registrar had to be satisfied only on a balance of probabilities.

In some cases, it is far easier for the applicant to provide proof of the pertinent facts than for the opponent to do so (for example, where an opponent relies on non-compliance with section 30(b) (no use of the mark since the date claimed). The Opposition Board has noted that for some grounds, the evidentiary burden on the opponent will be lower, especially if the relevant facts are more readily available to the applicant.⁷³

Failure of a party to participate in opposition proceedings can lead to an inference that an onus has not been met. Normally an applicant would have to

⁷¹ See, for example, *Joseph E. Seagram & Sons Ltd. et al. v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325 at 329-30 (T.M.O.B.), aff'd (1990), 33 C.P.R. (3d) 454 (F.C.T.D.) and *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.), aff'd (1992), 42 C.P.R. (3d) 495 (F.C.A.)

⁷² *supra*, note 52

⁷³ See *Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986), 10 C.P.R. (3d) 84 (T.M.O.B.) and *United States Shoe Corp. v. Premiere Vision Inc.* (1990), 33 C.P.R. (3d) 353 (T.M.O.B.)

file evidence and/or argument to overcome its onus in an opposition, but the Board has noted that there is no obligation on an applicant to file evidence. It has held that submissions in a counter statement (especially if detailed), or in written and/or oral argument may suffice. Furthermore, the onus on an applicant may be “far less severe” where there is a substantial dissimilarity between the marks and/or wares or services.⁷⁴

Evidentiary Defects

The Opposition Board frequently deals with the admissibility of evidence. Inadmissible evidence can fall into numerous categories.

a) Hearsay

One of the most frequent problems with the material submitted as evidence in opposition proceedings is hearsay. Hearsay issues must be carefully considered when selecting the affiant, and in drafting the affidavit. Key information in the opposition may include:

- the length of time a trade mark has been used;
- sales figures;
- advertising expenses;
- circulation data for publications in which the applicant or opponent have advertised;
- viewership for television or radio programs on which the parties may have advertised; and
- information on channels of trade.

All of these can easily lead to hearsay issues. It is seldom that one person in a company will have all the information, based on personal knowledge. Many affiants may be required to properly file the necessary information.

⁷⁴ See *G.H. Mumm & Cie, Societe Vinicole de Champagne, S.A. v. F.G. Bradley Co. Ltd.* (1983), 80 C.P.R. (2d) 176 (T.M.O.B.)

Reliable and Necessary

In the ground-breaking decisions of *R. v. Khan*,⁷⁵ and *R. v. Smith*,⁷⁶ the Supreme Court of Canada adopted a principled approach to the admission of hearsay. Hearsay evidence is admissible so long as it is reliable and necessary. The reference to “necessary” is important. If there is a reasonable way to have direct “personal knowledge” affidavits, parties should do so. The Opposition Board will reject evidence on hearsay grounds where it is not clear that there were acceptable reasons that a person with direct knowledge could not have provided the evidence.

For example, media measurement data collected by a third party (which one would think would be reliable if that entity's role is specifically to measure media figures) is generally given no weight when it is presented in a company affidavit, with no reasons given as to why the evidence could not be given by a person with direct knowledge.⁷⁷ It has also been held that the fact that an employee was living outside of Canada was not enough to show that hearsay evidence regarding that employee's knowledge was necessary.⁷⁸

In contrast, necessity and reliability were found where an affiant reported a finding of confusion by various marketing field representatives throughout Canada, on the basis that the affiant was personally involved in instructing his personnel on the type of information sought, and that it appeared “onerous to expect a single individual to gather information from geographically dispersed

⁷⁵ [1990] 2 S.C.R. 531 (per McLachlin J.)

⁷⁶ [1992] 2 S.C.R. 915 (per Lamer C.J.)

⁷⁷ See, for example, *Black Entertainment Television, Inc. v. CTV Limited* (2008), 66 C.P.R. (4th) 74 (T.M.O.B.), and *Cable News Network Inc. v. Jensen* (2009), 74 C.P.R. (4th) 212 (T.M.O.B.)

⁷⁸ See *Budget Rent a Car International Inc. v. Discount Car and Truck Rentals Ltd.* (1996), 70 C.P.R. (3d) 411 (T.M.O.B.). A more recent example of this type of scenario occurred in *Alpa Wood Mouldings Inc. v. Craftmaster Manufacturing Inc.* (2007), 66 C.P.R. (4th) 27 (T.M.O.B.), where the applicant submitted an affidavit from an associate at the law firm representing the applicant, in which the affiant merely reported information provided by another associate at the same firm who was out of the country. The Board ruled the affidavit inadmissible as failing to satisfy the criteria of necessity and reliability for overcoming hearsay.

locations".⁷⁹

Evidence from Other Court Proceedings

In *Tradition Fine Foods Ltd. v. Groupe Tradition'l Inc.*,⁸⁰ the applicant attempted to introduce evidence on appeal in the form of a transcript of testimony from an unrelated proceeding. The applicant argued that the transcript contained an admission that the word TRADITION'L was clearly descriptive of the traditional baking style employed to make the associated wares. The Court, however, ruled that the evidence was inadmissible hearsay that did not meet any hearsay exceptions.

In *Continental Tire Canada, Inc. v. Compagnie Générale des Établissements Michelin-Michelin et Cie.*,⁸¹ the Hearing Officer disallowed an affidavit from a prior proceeding after considering a number of factors, including: (i) whether the parties to the current proceeding were the same as in the previous proceeding; (ii) whether or not the trade mark applied for was the same in both proceedings; (iii) the availability of the affiant for cross-examination; and (iv) whether or not all, or most of the issues in the two proceedings were the same.

Evidence from Internet Archive Websites

In the past, the Internet Archive website (the WayBackMachine), located at www.archive.org, has been found to be reliable for obtaining copies of websites as they appeared at a particular point in time.⁸²

However, the admissibility of archived website material from the WayBackMachine has recently been brought into question in *Bereskin & Parr v.*

⁷⁹ *Petro-Canada v. UPI Inc.* (2000), 6 C.P.R. (4th) 401 at 407-8 (T.M.O.B.)

⁸⁰ (2006), 51 C.P.R. (4th) 342 (F.C.T.D.)

⁸¹ (2007), 59 C.P.R. (4th) 102 (T.M.O.B.)

⁸² *ITV Technologies, Inc. v. WIC Television Ltd.* (2003), 29 C.P.R. (4th) 182 at 192 (F.C.T.D.), aff'd (2005), 38 C.P.R. (4th) 481 (F.C.A.) (an expungement action)

Mövenpick-Holding.⁸³ This case underscores the importance of establishing necessity and reliability when dealing with hearsay evidence, even where such evidence has been found to be admissible in the past.

b) Employees of Agent Law Firms as Affiants

The issue of *who* can offer evidence has been considered with respect to employees of agent law firms. In *Cross-Canada Auto Body Supply (Windsor) Ltd. v. Hyundai Auto Canada*,⁸⁴ the respondents had brought a successful motion to remove the appellant's solicitors as Solicitors of Record or alternatively, to retain new counsel to prepare written submissions and oral argument. The motion was based on the fact that the appellants had prepared an application for expungement based on evidence collected by employees of the solicitor firm, namely, law clerks and students. The motion was granted and the appellants appealed to the Federal Court of Appeal. The Court dismissed the appeal, noting at p. 288:

In most cases such investigation and opinions can be conducted by objective non-employees. The lawyer who relies on members or employees of the firm to provide such evidence runs a risk that lesser weight may be given to such evidence. A client should not be subjected to this risk unless it is clearly necessary.

In contrast, it appears that evidence submitted by a party's trade mark agent (as opposed to its solicitor) may be admissible.⁸⁵

c) Opinion Evidence

Most oppositions are based on the likelihood of confusion. Since few cases

⁸³ (2008), 69 C.P.R. (4th) 243 (T.M.O.B.) (a s. 45 proceeding)

⁸⁴ (2006), 53 C.P.R. (4th) 286 (F.C.A.) (see also *Campbell Soup Co. v. Fancy Pokket Corp.* (2006), 56 C.P.R. (4th) 359 (T.M.O.B.))

⁸⁵ In *Mr. Lube Canada Inc. v. Denny's Lube Centre Inc.* (2008), 73 C.P.R. (4th) 308 (T.M.O.B.), the Hearing Officer distinguished *Cross-Canada, supra*, accepting the affidavit of the Executive Assistant to the applicant's trade mark agent, reporting the results of a state of the Register search.

involve concrete examples of confusion, the parties frequently wish to provide opinions on whether confusion has occurred or is likely to occur. Likelihood of confusion is, of course, the very issue which the Court, or Opposition Board, must decide. On the other hand, evidence from witnesses that they are or have been confused is not only admissible, but also naturally highly relevant.

Experts

Experts may offer an opinion on the key issues but, of course, the qualifications of such experts must be first established. The qualifications of the witness on the relevant points must be clear. For example, in *Biofarma v. NPS Pharmaceuticals, Inc.*,⁸⁶ a linguist's expertise was accepted on language, but not pronunciation, since the evidence did not state he was fluent in French (plus his French qualifications were limited and dated).

The expert should also be independent from the parties. A witness cannot, for example, be both the main company witness for an applicant or opponent, and also an alleged expert on the industry, since expert qualification necessarily includes independence from the parties.

Lay Witnesses

Lay witnesses' opinions as to the strength of a trade mark will generally not be admissible. Lay witnesses may present their relevant observations in the form of opinions where:

- they are in a better position than the trier of fact to form the conclusion;
- the conclusion is one that persons of ordinary experience are able to make;
- the witness, although not expert, has the experimental capacity to make the conclusion; and
- the opinions being expressed are merely a compendious mode of stating

⁸⁶ [2008] T.M.O.B. No. 47 (January 8, 2008) (T.M.O.B.), *aff'd* (2009), 72 C.P.R. (4th) 391 (F.C.T.D.)

facts that are too subtle or complicated to be narrated as effectively without resort to conclusions.

Generally, proper exceptions to the rule against lay witness opinion evidence will concern the identification of persons, things, writings, value of property or services, distance, time, speed, dimensions, weight, direction, degree of intoxication and mental health. Opinions concerning the strength of a mark are not opinions that lay persons are in a position to form. Moreover, such a lay witness's opinions cannot be used to summarize or describe more effectively facts that are too subtle or complicated to be described without drawing any conclusions.⁸⁷

Surveys

Public opinion polls, or surveys, which attempt to assess the state of mind of large numbers of people are obviously fraught with hearsay and other evidentiary problems. Frequently, the person swearing the survey affidavit will have no personal knowledge of the answers given by any of the respondents, and is merely giving opinions of others who are not before the tribunal. Nevertheless, the filing of survey evidence is common, not just in the courts, but in opposition proceedings. The key to successful reliance on such surveys is to carefully establish the methods and standards under which the survey was conducted and the results analyzed.

It is important to establish:

- (i) the credentials of the person conducting the survey, who should be an expert in surveys;
- (ii) information on the design of the survey;

⁸⁷ See *Saputo Groupe Boulangerie v. National Importers Inc.*, (2005), 44 C.P.R. (4th) 241 (F.C.T.D.) See also *Fairmont Resort Properties Ltd. v. Fairmont Hotel Management, L.P.* (2008), 67 C.P.R. (4th) 404 (F.C.T.D., per Gibson J.) (an application to strike three trade mark registrations pursuant to s. 57(1) of the Act), which followed the reasoning in *Saputo Groupe*, supra in rejecting the respondent's evidence, since the evidence was in the nature of an expert opinion, but the affiant had not been qualified as an expert.

- (iii) an explanation of the sample size and how the sample can be extrapolated to the public at large;
- (iv) a statement from the person swearing the affidavit that he or she actually monitored some of the survey interviews;
- (v) a fair and impartial analysis of the survey results; and
- (vi) the conclusion from those results, by someone knowledgeable in survey techniques with personal knowledge of some of the answers, as well as knowledge on how the survey was conducted.

For the survey to meet these criteria, it must be conducted by a qualified professional and designed by someone properly recognizable as a survey expert. Needless to say, this can be very expensive, and the parties in an opposition need to critically analyze whether other evidence is available, or whether the survey will provide essential information. It is far more likely for a survey to be disregarded, in whole or in part, or given very little weight, than it is for the survey to be the critical piece of evidence in the opposition.

A party filing survey evidence must also be attentive to which section of the Act the opposition is based upon. For instance, while a survey trying to establish confusion should create the real life situation in which the consumer would encounter the mark, an opposition trying to prove that an advertised mark is clearly descriptive or deceptively misdescriptive must focus only on the trade mark *per se*, not how the trade mark appears on the particular label or package.

And, of course, parties seeking to submit survey evidence must make sure that the survey evidence is relevant.

Finally, after a party has ensured that it has conducted a proper survey, it must also ensure that the survey evidence is properly submitted to the Court or Board.

In *Imax Corp. v. Kukje Corp.*,⁸⁸ the Opposition Board held that a detailed and extensive survey conducted by Angus Reid was inadmissible, because it was submitted as an annex with the affidavit of a person who did not have “any knowledge as to who prepared the study or who conducted the telephone interviews referred to in the study”.

Note that a survey need not be prepared for the proceeding to be relevant.⁸⁹

Proving the State of the Register and Marketplace Use

The state of the Register is an important factor in assessing the potential for confusion and the distinctiveness of any trade mark. It may indicate the presence or absence of potentially confusing trade marks, and, to the extent that some marks, or portions of marks, are common, it may assist in determining uniqueness, or distinctiveness of the trade marks. Since non-distinctiveness is a ground of opposition, and since inherent distinctiveness is relevant in determining confusion, the state of the Register is often considered in opposition proceedings.

However, distinctiveness is not an abstract consideration, but an analysis of the facts, not just as they exist on the Trade-marks Register, but also in the marketplace. For that reason, evidence of marketplace usage is also normally required. That places an onus on any party seeking to rely upon the state of the Register to file both accurate and admissible evidence of the state of the Register, as well as useful information on the current use of those trade marks, or any others.

⁸⁸ (2000), 8 C.P.R. (4th) 546 at 552 (T.M.O.B.)

⁸⁹ In *Remo Imports Ltd. v. Jaguar Cars Ltd.* (2006), 47 C.P.R. (4th) 1 (F.C.T.D.), varied on other grounds (2007), 60 C.P.R. (4th) 130 (F.C.A.), both sides presented copious amounts of survey evidence, but the only survey the Court found persuasive was one prepared by an unrelated third party and not for purposes of litigation.

a) State of the Register

The Registrar has the discretion to check the Register, in view of the public interest to maintain the purity of the Register.⁹⁰ However, the realities of available manpower dictate that the general position of the Registrar is that he/she may not exercise his/her discretion in this respect and thus may only accept registrations appearing on the Register that are properly filed in evidence.⁹¹

It has been held to be in the public interest to check the Register to confirm the existence of registrations relied upon by an opponent in support of a 12(1)(d) opposition (confusion with a registered trade mark). The same is true for oppositions based on 16(1)(b), 16(2)(b) or 16(3)(b) (non-entitlement). However, it has been held that it is *not* in the public interest to verify the status of a registration cited by an opponent in support of a section 30 ground of opposition (i.e. a technical ground of opposition), or to conduct a “state of the Register” search to assist an applicant to register its trade mark.

In *Rentalex Ltd. v. Leslie Sales Corp.*,⁹² the Hearing Officer criticized the state of the Register evidence presented, stating that to establish the state of the Register as of a particular date the affiant should have:

- (1) conducted the search;
- (2) indicated when and how the search was carried out; and
- (3) provided copies of the registrations referred to and not just list the registration numbers and trade marks.

Should a party wish to rely upon information in the application file history, that file

⁹⁰ See *American College of Chest Physicians v. Medical Education Network (Canada) Inc.* (unreported) [2006] T.M.O.B. No. 170 (October 23, 2006) (T.M.O.B.)

⁹¹ *Quaker Oats Co. of Canada Ltd./La Compagnie Quaker Oats du Canada Ltée v. Menu Foods Ltd.* (1986), 11 C.P.R. (3d) 410 (T.M.O.B.)

⁹² (1992), 47 C.P.R. (3d) 281 (T.M.O.B.)

must be produced as evidence.⁹³ However, when considering a ground of opposition based on s. 30(i) (satisfaction of entitlement to use a trade mark), the Board may review the original application, even if it has not been filed as evidence, since "the relevant date for s. 30(i) is the date of filing of the application, and that an application must be considered in order to assess formal compliance with s. 30(i) at such date".⁹⁴

The qualifications of the searcher should be included, to prove the accuracy and reliability of the search results.⁹⁵

Use of Internet Searches of Trade-marks Office Databases

Proof of the state of the Register today is generally done by affidavits, reporting on computer search results. Any presentation of search results must include details of the registrations, such as the associated wares and services and the basis for registration, so care must be taken to ensure the databases searched and documents provided to the Board contain the necessary details, otherwise the results will be afforded little weight. Care must also be taken to establish the reliability of the source database. For example, in *Sta-Rite Industries Inc. v. GSW Inc.*,⁹⁶ the applicant's trade mark search results, which purported to include Trade-marks Office records, were held to be inadmissible hearsay as the applicant, challenged by the opponent, had not proven the reliability of the database, even though the CD-ROM service in question (published by CD Name Search Corp.) had been widely used by trade mark practitioners and had been relied upon in previous cases. However, other subsequent decisions have taken a less rigid view towards electronic databases.

⁹³ See *Generation Nouveau Monde Inc. v. Teddy S.P.A.* (2006), 51 C.P.R. (4th) 385 (T.M.O.B.) and *Betonel Inc. v. Permatex GmbH* [2006] T.M.O.B. No. 157 September 22, 2006 (T.M.O.B., per Carrière), where the Hearing Officer refused to consider prosecution correspondence, as it had not been properly filed.

⁹⁴ *Cerverceria Modelo, S.A. de C.V. v. Marcon* (2008), 70 C.P.R. (4th) 355 at 365 (T.M.O.B.)

⁹⁵ *Swatch S.A. v. Jollymore et al.* (1992), 46 C.P.R. (3d) 551 (T.M.O.B.)

⁹⁶ (1999), 87 C.P.R. (3d) 300 (F.C.T.D.), aff'd (2001), 12 C.P.R. (4th) 24 (F.C.A.)

b) Marketplace Use

Regardless of the accuracy of the state of the Register evidence, without accompanying evidence of marketplace use of such marks, the Registrar will give little or no weight to such evidence.

A combination of relatively weak marketplace evidence and a number of relevant marks may be enough. If enough relevant marks are revealed by the search, the Board will infer that at least some of the marks are in active use and that, consequently, consumers have become somewhat accustomed to seeing the relevant marks and can therefore distinguish among such marks based on their other components.⁹⁷ The critical number beyond which marketplace evidence does not seem to be absolutely required is difficult to discern. It will depend upon the number of owners of the relevant marks, as the existence of fewer owners diminishes the likelihood of common adoption, and upon the degree to which the associated wares or services overlap.

A review of the case law indicates that, generally speaking, where at least fifteen relevant marks are found, inferences of active use and consumer familiarity will be drawn. A number of cases exist where relevant marks numbering under 13 were found to be too few on which to draw inferences. The case law has generally held that for a mark or business name to be considered relevant in determining common adoption, the mark or name should be used in association with the same or similar wares and services as the applied-for mark.⁹⁸

⁹⁷ See *Kellogg Salada Canada v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.), and also *Labatt Brewing Co. v. Molson Breweries, A Partnership* (1991), 35 C.P.R. (3d) 108 (T.M.O.B.) and *Ocean Fisheries Ltd. v. A. Raptis & Sons* (1991), 35 C.P.R. (3d) 473 (T.M.O.B.)

⁹⁸ For example, in *Maritime Life Assurance Co. v. Maritime Medical Care Inc.* (unreported) [1999] T.M.O.B. No. 164 (August 24, 1999) (T.M.O.B., per Folz), third party registered marks were held not to be “of much assistance”, as only one of the marks was registered for use in association with the relevant services (see also *Governor and Co. of Adventurers of England trading into Hudson’s Bay v. Hallmark Cards, Inc.* (2003), 30 C.P.R. (4th) 231 (T.M.O.B.), where 30 trademarks were insufficient for the Hearing Officer to draw any meaningful conclusions, due to their nature and number

Evidence of Actual Confusion

While an opponent does not need to file evidence of actual confusion, where the applicant has filed evidence of co-existence without confusion, the opponent should not rely on the burden of proof of the applicant and assume that it does not need to file evidence of confusion. While the relevant issue is "likelihood of confusion" and not "actual confusion", the lack of "actual confusion" is a factor which the courts have found of significance when determining the "likelihood of confusion". An adverse inference may be drawn when concurrent use on the evidence is extensive, yet no evidence of confusion has been given by the opponent.⁹⁹ An adverse inference will generally not be made where the applicant fails to provide any evidence of co-existence without confusion.¹⁰⁰

Similar Business Names and Domain Names

With respect to business names incorporating an element of a mark, inferences of the state of the marketplace are more difficult, as search results listing business names often do not indicate the nature of the business. Furthermore, as subsequent investigations so frequently confirm, many, if not most, of the businesses mentioned on a NUANS search are not, and may never have been, active. Nonetheless, a party relying on the existence of relevant business names needs to provide the Board with information concerning the businesses' areas of activity and whether the names are in use, which, of course, if not provided by the businesses themselves, often leads to hearsay difficulties.¹⁰¹

Similarly, results from searches of various business name and telephone databases showing entities with names incorporating relevant mark components were found to be of little aid unless the nature of the wares or services

⁹⁹ *Dion Neckware Ltd. v. Christian Dior, S.A.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)

¹⁰⁰ *Vivat Holdings Limited v. Levi Strauss & Co.* (2005), 41 C.P.R. (4th) 8 (F.C.T.D.)

¹⁰¹ For example, in *Vienna Sausage Manufacturing Co. v. Vienna Meat Products Ltd.* (unreported) [1999] T.M.O.B. No. 245 (Dec. 14, 1999) (T.M.O.B.), the applicant found five establishments with names that incorporated the mark in question, but the affidavits which contained information, based on telephone discussions, meant to establish that the business names were in active use and in fields related to the wares in question, were held inadmissible as hearsay

associated with the commercial names are shown to be related to those covered by the application.¹⁰²

Marketplace evidence will still usually mean providing admissible evidence, not hearsay, on the use of other trade marks or business names. An affidavit from someone who telephones trade mark owners or businesses, asking for information on the use of such marks or business names, and then recording what these respondents said is generally inadmissible as hearsay. On the other hand, someone who sees a trade mark in use, photographs a mark, shows internet pages relating to the business' website, or receives information showing use of a trade mark, can swear to such information on the basis of personal knowledge.

Other Internet Searching

In *Wal-Mart Stores, Inc. v. Tough Stuff Distributors, Inc.*,¹⁰³ the Board accepted the results of searches of two online databases containing articles appearing in various major Toronto newspapers, stating that there was nothing in evidence to make them question the reliability or accuracy of the computer transcriptions.

Internet evidence consisting of instances of descriptive usage of the applied for mark was also accepted in *Pillsbury Co. v. Alantra Imports Co.*¹⁰⁴ in support of a 12(1)(b) (descriptiveness) ground of opposition, with the Board noting that the evidence had not been challenged by the applicant.

One issue that has arisen is the extent to which Canadians access websites cited as evidence in proceedings. For example, in *Anheuser-Busch, Inc. v. Molson*

¹⁰² See, for example, *John Forsyth Inc v. The Hudson's Bay Company* (unreported) [2000] T.M.O.B. No. 62 (April 12, 2000) (T.M.O.B.); *Toshiba of Canada Ltd. v. Chenel Corp.* (2003), 30 C.P.R. (4th) 240 (T.M.O.B.) and *Venator Group Canada Inc. v. Upstein's Ltd.* (2000), 7 C.P.R. (4th) 142 at 151 (T.M.O.B.)

¹⁰³ (1999), 1 C.P.R. (4th) 271 (T.M.O.B.)

¹⁰⁴ (1999), 1 C.P.R. (4th) 252 (T.M.O.B.)

Breweries, A Partnership,¹⁰⁵ the opponent sought to show that the applied-for mark BREW WEAR designated the kind or quality of wares and services (pursuant to Section 10 of the Act), by introducing web pages downloaded from three Internet sites that used BREW WARE in association with the applicant's wares and a catalogue ordered from one of the sites. The Board held the evidence to be of little help, in large part because no evidence was introduced concerning whether any of the sites were located in Canada or the extent to which Canadians accessed these sites.

Similarly, results of an Internet domain name search have been accorded no weight, where relevant domain names appear to be associated with web sites outside Canada and no evidence was submitted showing Canadians had accessed the sites.¹⁰⁶

Another concern when dealing with electronic media is that it can be manipulated, thereby rendering it unreliable.

Proving Meaning

A number of opposition grounds, most notably non-compliance with section 12(1)(b) (descriptiveness) and section 10 (designating the kind, quality . . . of wares and services) often require, to varying degrees, that evidence of the mark's "meaning" be produced.

The most common form proof of meaning takes is that of a dictionary definition. When attempting to prove that a trade mark has a particular meaning in another language through a dual language dictionary, the dictionary ought to provide a translation in either the French or English language.¹⁰⁷

¹⁰⁵ (unreported) [1999] T.M.O.B. No. 49 (February 24, 1999) (T.M.O.B., per Vandenaeker)

¹⁰⁶ See *Trek Bicycle Corporation v. Canadian Lung Association* (unreported) [2000] T.M.O.B. No. 81 (May 17, 2000) (T.M.O.B., per Partington) and *Primo Bedding v. HSM Pressen* (2009), 72 C.P.R. (4th) 370 (T.M.O.B.)

¹⁰⁷ See *Groupe Nexio Inc. v. Samsung Electronics Co.* (2008), 68 C.P.R. (4th) 268 (T.M.O.B.),

Encyclopedias can also be of assistance in proving meaning. Recently, the Opposition Board has accepted that entries from the online "user contributed encyclopedia", Wikipedia, can be given some weight, as long as the other side is given the opportunity to reply to it.¹⁰⁸

Other sources and means are valuable for proving meaning as well, particularly when dictionaries are of no or little assistance: for example, if the adoption of the meaning in issue is a fairly recent occurrence or the mark or meaning is vernacular, idiomatic or exclusive to an industry, it may not be included in dictionaries available at the time.

Clearly, providing substantial and numerous instances of third parties using the mark in a descriptive capacity can be most persuasive. Beyond actual products, instances of descriptive usage in various publications can also be persuasive, although the weight attributed will depend on the nature of the publication, and, relatedly, the extent of its exposure to relevant parties, especially for 12(1)(b) (descriptiveness) grounds.

However, a number of 12(1)(b) (descriptiveness) based oppositions have failed, in spite of some evidence of descriptive use, on the basis that the average Canadian consumer would not be familiar with the descriptive usage to the extent required for a "clearly descriptive" finding.¹⁰⁹

where the Hearing Officer rejected an extract from a Latin-Korean dictionary, submitted in support of the applicant's contention that the word NEXIO means "connection" in Latin, stating at p. 274 that the affiant had not attested to being an official translator from the Korean to English language and that "one would have expected the filing of excerpts of a Latin-French or Latin-English dictionary to support the Applicant's contention"

¹⁰⁸ *Canadian Council of Professional Engineers v. Alberta Institute of Power Engineers* (2008), 71 C.P.R. (4th) 37 at 47-8 (T.M.O.B.)

¹⁰⁹ For example, in *Imperial Tobacco Ltd. v. Rothmans, Benson and Hedges Inc.* (unreported) [1999] T.M.O.B. No. 54 (March 1, 1999) (T.M.O.B., per Bradbury), little weight was given to seven publications, some of foreign origin, which in their title and/or text employed GOLD LEAF (the applicant's mark) to mean tobacco. The Board noted that it doubted the materials were familiar to the average Canadian consumer of manufactured tobacco products or even to the average Canadian tobacco retailer.

Where the descriptive usage is particular to a specialized field, it may also be prudent to elicit the experiences and opinions of individuals engaged in that field.¹¹⁰

Relevance of Surrounding Circumstances

Surrounding circumstances can sometimes be used to tip the scales, particularly in the opponent's favour, since doubt is generally resolved against the applicant.

a) Well-known / Famous Marks

Establishing that a mark is famous is a surrounding circumstance that can be relevant when opposing the registration of a mark. A mark that is "well known" or "famous" is "one which is recognized generally by the public through extensive sales and media advertising and not one which is known solely by those who consume [the goods to which the mark relates]".¹¹¹ However, such a conclusion cannot be reached simply on the basis of the volume of sales or the number of countries in which the mark is registered.¹¹²

The finding that a mark is famous has been variably applied in opposition proceedings. Generally, it is easier to persuade a court that confusion is likely when the plaintiff's mark is well-known.¹¹³ However, a finding that a mark is well-known can sometimes work against an opponent in the determination of

¹¹⁰ In *Apotex Inc. v. Glaxo Group Ltd.* (unreported) [1999] T.M.O.B. No. 105 (May 19, 1999) (T.M.O.B., per Herzig), the opponent alleged NEBULES was clearly descriptive of certain pharmaceutical preparations and substances. Both parties produced affidavits from professors of medicine, attesting to their respective experiences with the term NEBULES and to the results of their respective consultations of various medical publications. The Board found the term not clearly descriptive, on the grounds that the medical publication evidence favoured the applicant and the applicant's medical affiant was the more credible, in part because of his greater authority and experience in the field.

¹¹¹ *G.H. Mumm & Cie, Societe Vinicole de Champagne, S.A. v. F.G. Bradley Co. Ltd.* (1983), 80 C.P.R. (2d) 176 (T.M.O.B.) at 180

¹¹² *FMC v. SS&C Technologies Canada* [2006] T.M.O.B. 110 (July 5, 2006) (T.M.O.B.)

¹¹³ See *Danjaq, S.A. v. Zervas* (1997), 75 C.P.R. (3d) 295 at 303 (F.C.T.D.)

likelihood of confusion, the rationale being that no one would confuse the products represented by the lesser known mark with the products of the well-known mark.¹¹⁴

Two Supreme Court cases, *Mattel* and *Veuve Clicquot*,¹¹⁵ as discussed above, have clarified the Canadian jurisprudence on famous trade marks, holding that some trade marks may be so well known that their use by a junior user in connection with any wares or services would generate confusion. In these two cases, the Court rejected the suggestion found in several decisions of the Federal Court of Appeal that there needs to be some resemblance or connection between the wares or services of the senior user and those of the junior user.¹¹⁶

b) Family of Marks

Establishing that a mark belongs to a family of marks can also be beneficial in proving likelihood of confusion.¹¹⁷

Note that confusion under s. 12(1)(d) (confusion with a registered mark) may be found even in circumstances where the applicant itself owns a trade mark registration for a similarly named product.¹¹⁸

c) French / English Marks

¹¹⁴ *Imperial Oil Ltd. v. Superamerica Stations Inc.* (1965), 47 C.P.R. 57 (Can. Ex. Ct.)

¹¹⁵ *supra*, notes 55 and 56

¹¹⁶ See *United Artists Corp. v. Pink Panther Beauty Corp.* (1998), 80 C.P.R. (3d) 247 (F.C.A.), and *Toyota Jidosha Kabushiki Kaisha v. Lexus Foods Inc.* (2000), 9 C.P.R. (4th) 297 (F.C.A.)

¹¹⁷ See *Reliable Hosiery Mfg. Inc. v. Warnaco Inc.* (2001), 16 C.P.R. (4th) (T.M.O.B.), where the opponent's family of marks was one factor weighed by the Registrar in refusing the application; see also *McDonald's Corporation et al. v. Yogi Yogurt Ltd. et al.* (1982), 66 C.P.R. (2d) 101 (F.C.T.D.)

¹¹⁸ In *Firezorb International Inc. v. Western Industrial Clay Products* (unreported) [2002] T.M.O.B. No. 126 (November 8, 2002) (T.M.O.B., per Herzig), an application for MULTI-ZORB PLUS COMMERCIAL/ INDUSTRIAL/FOOD SERVICE ABSORBENT was refused, even though the applicant already owned a registration for MULTI-ZORB HOUSEHOLD ABSORBANT, since it was confusing with MULTIZORB, registered for absorbent particulate material treated with fire-fighting and fire-retardant chemicals, solutions and compounds

Canada's bilingual status may be an additional "surrounding circumstance". For example, in *Charles of the Ritz Group Ltd. v. C and W Garments (Canada) Ltd.*,¹¹⁹ the opponent successfully alleged that, although the applicant's mark LEFT BANK bore no similarity in appearance or sound to its mark RIVE GAUCHE, it conveyed the same idea (the applicant's mark being a direct translation of RIVE GAUCHE). The Hearing Officer noted that, given the bilingual nature of Canada (or parts of it), "the question of confusion should be assessed in a bilingual context in which both the English and French languages are accorded equal importance". While admitting that a minority of Canadians is bilingual, the Hearing Officer concluded that it is nevertheless reasonable to assess confusion from the standpoint of a bilingual consumer.

d) The Significance of Use / Registration in Other Jurisdictions

In determining whether a trade mark is registrable in Canada, the Courts in many instances have had to consider the relevance of foreign registration and use of the mark in question. For example, in assessing the likelihood of confusion or in considering a mark's distinctiveness, applicants have attempted to rely on evidence of use and registration of a mark in jurisdictions outside of Canada.

The weight, if any, such evidence should be afforded in opposition proceedings has attracted judicial and scholarly attention alike. Courts, as a rule, have accorded "little weight" to the co-existence of the trade marks at issue on foreign trade mark registers in determining the likelihood of confusion in Canada.¹²⁰ It should be noted that the principle of according little weight to a trade mark's use, registration and reputation in another jurisdiction is applied by the Courts to

¹¹⁹ (1986), 9 C.P.R. (3d) 566 (T.M.O.B.)

¹²⁰ See for example, *Vivat Holdings, supra*; *Max Co. v. OfficeMax Inc.* (2001), 15 C.P.R. (4th) 99 (T.M.O.B.); *Senza Inc. v. Apparel Ventures, Inc.* (2001), 14 C.P.R. (4th) 243 (T.M.O.B.); *Ditta F.R.A. Di Mignone Guisepe E Cherio Vittoria SNC. v. Johnson & Johnson Ltd.* (1974), 13 C.P.R. (2d) 105 (F.C.T.D.)

analysis of the opponent's evidence as well (for example, an opponent's evidence of distinctiveness of its marks in a foreign jurisdiction), although there does exist a line of cases in which this approach has been relaxed somewhat.

e) Previous Board or Court Proceedings

Where the question before the Board is the same, and the "fact situation entirely analogous", the Board will follow "the principle of *stare decisis*, or alternatively the principle of comity of decision making".¹²¹

Where a proceeding for a trade mark infringement action is ongoing, an applicant, *vis à vis* the same opponent in an opposition proceeding, cannot assert that the use the opponent relies on is unlawful since it forms the basis of an infringement proceeding. Hence, in the absence of a court decision, the opponent can rely on its use to show confusion.¹²² Only where there is clear evidence that the opponent's use is unlawful, can the Registrar exert his jurisdiction and find the use of a trade mark to be unlawful in an opposition proceeding.

On a somewhat related note, unlike in the United States, an applicant in an opposition cannot allege that the opponent's trade mark registration is invalid. This is clearly set out in a number of cases.¹²³

Foreign Decisions

Recent case law suggests that foreign decisions involving the same trade marks

¹²¹ *Canadian Medical Association v. Physician's Choice of Arizona, Inc.* (2005), 46 C.P.R. (4th) 214 (T.M.O.B.). In that case, the Hearing Officer followed the reasoning in an opposition to "Doctor's Choice" in deciding an opposition to "Physician's Choice"

¹²² *Mister Coffee & Services Inc. v. Mr. Coffee, Inc.* (2002), 23 C.P.R. (4th) 544 (T.M.O.B.)

¹²³ See, for example, *Bacardi & Co. v. Havana Club Holdings S.A.* (2001), 14 C.P.R. (4th) 231 (T.M.O.B.), *aff'd* (2003), 32 C.P.R. (4th) 366 (F.C.T.D.) and *Sunshine Biscuits, Inc. v. Corporate Foods Ltd.* (1982), 61 C.P.R. (2d) 53 (F.C.T.D.)

may be relevant and even persuasive, but only if evidence is presented concerning how closely the law of the foreign jurisdiction resembles the law in Canada. The Opposition Board will not take judicial notice of such similarities, even when well known.

f) Agreements

With respect to agreements between applicants and opponents, in *Valint N.V. v. Mario Valentino S.p.A.*,¹²⁴ the applicant argued that, as it and the opponent had entered into a co-existence agreement whereby they agreed, inter alia, not to interfere with each other's respective applications in association with certain wares and services, the opponent was estopped from opposing the applications. The Court held that the agreement was of no effect, noting that no authority was produced supporting the proposition that equitable remedies are available for use in either opposition proceedings or in appeals such as this, and that a civil suit was the appropriate avenue for the applicant, as the Act does not provide a forum in which to compel the enforcement of such terms.

However, in an unopposed appeal to the Federal Court in *Dell Computer v. Latitude Communications*,¹²⁵ the Court considered additional evidence filed on appeal, namely a co-existence agreement between Dell Computer Corporation and Latitude Communications Inc., acknowledging that there had been no confusion between Dell's LATITUDE computer wares and the opponent's LATITUDE custom office furniture wares. The Court allowed the appeal against the refusal of the trade mark, in effect holding that the agreement was admissible to support a finding that the marks were not confusing.

Reply Evidence Versus Evidence In Chief

As noted above, following filing of the applicant's evidence, the opponent may file

¹²⁴ (1999), 4 C.P.R. (4th) 1 (F.C.T.D.)

¹²⁵ (unreported) [2003] F.C.J. No. 797 (F.C.T.D.)

evidence in reply. This evidence must be strictly confined to matters in reply.¹²⁶

When drafting evidence in reply, the opponent must keep in mind that it cannot split its case. The basic principles governing the admissibility of reply evidence were set out in *Halford v. Seed Hawk Inc.*,¹²⁷ namely:

- 1) Evidence that is simply confirmatory of evidence already before the court is not to be allowed.
- 2) Evidence that is directed to a matter raised for the first time in cross-examination and which ought to have been part of the plaintiff's case in chief is not to be allowed. Any other new matter relevant to a matter in issue, and not simply for the purpose of contradicting a defence witness, may be allowed.
- 3) Evidence that is simply a rebuttal of evidence led as part of the defence case and which could have been led in chief is not to be admitted.

Conclusion of an Opposition

Given the expense and length of time required to complete an opposition proceeding, most oppositions settle rather than proceeding to a decision. The opponent may withdraw an opposition at any time prior to the issuance of a decision, by writing to the Trade-marks Opposition Board.

Where no settlement is reached, once written arguments have been exchanged (where oral hearings are not requested), or once the oral hearing has been held, the Registrar will issue a decision in due course. An opposition takes at least two years, from advertisement of a mark to decision (assuming no extensions are granted, no cross-examination takes place, and no oral hearing is requested), and can commonly take six or even eight years and more.

If the opponent is successful in its opposition, the Registrar will refuse the

¹²⁶ Rule 43 of the *Trade-marks Regulations*

¹²⁷ (2003), 24 C.P.R. (4th) 220 at 226 (F.C.T.D.)

application. This does not prevent the applicant from using the trade mark, if it so wishes, only from securing registration of the mark.¹²⁸ If the applicant successfully defends the opposition, the Registrar will allow the application in due course.

Practitioners should note that no costs or damages are awarded to the successful party in a Canadian opposition proceeding.

Appealing an Opposition Decision

An appeal as of right from the final decision of the Registrar in an opposition proceeding may be made to the Federal Court of Canada.¹²⁹ Further appeals are available to the Federal Court of Appeal, and even to the Supreme Court of Canada, in rare instances where leave to appeal is granted by the Court.

Section 56(5) of the Act allows parties to file additional evidence on appeal. In addition, a party that did not file any evidence at the Board stage may subsequently adduce evidence on appeal.¹³⁰

Traditionally, a Court will review decisions of the Registrar under a reasonableness *simpliciter* standard. However, new evidence adduced on appeal that would materially affect the decision under review can have the effect of shifting this standard to one of correctness.¹³¹

Consultations

From time to time the Trade-marks Office holds public consultations regarding

¹²⁸ The opponent may file a motion for an injunction preventing the applicant from using its mark, or may sue the applicant for trade mark infringement or passing off in order to stop an applicant from using its mark, however these are separate actions not part of the opposition proceeding

¹²⁹ Section 56 of the *Trade-marks Act*

¹³⁰ *Brain Tumor Foundation of Canada v. Starlight Foundation* (2001), 11 C.P.R. (4th) 172 (F.C.A.), see also *Austin Nichols & Co. v. Cinnabon, Inc.* (1998), 82 C.P.R. (3d) 513 (F.C.A.) and *Canadian Tire Corp v. Foxco Ltd.* (2000), 4 C.P.R. (4th) 482 (F.C.T.D.)

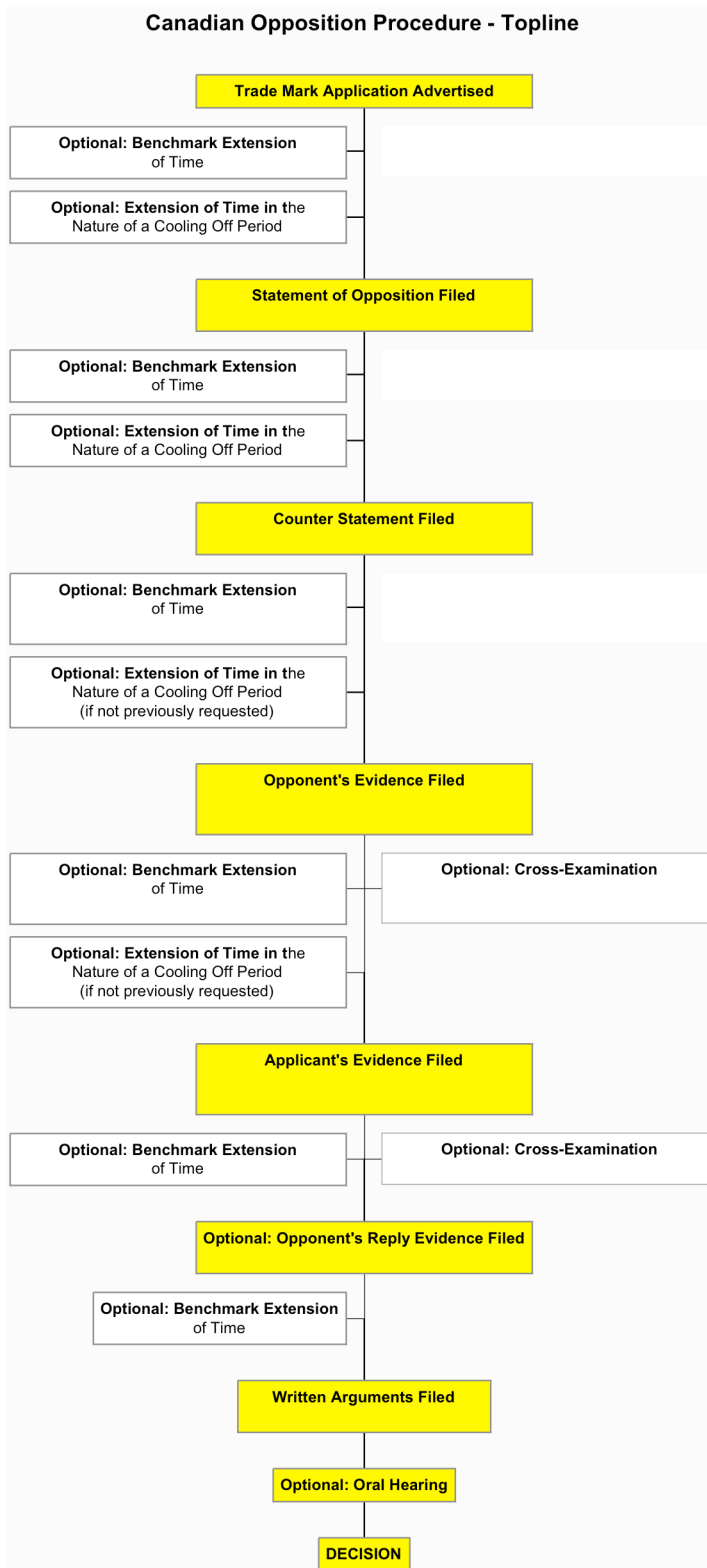
¹³¹ See, for example, *Loblaws Inc. v. No Frills Auto and Truck Rental Ltd.* (2006), 49 C.P.R. (4th) 179 (F.C.T.D.)

proposed Practice Notices.

One recent consultation proposes several changes to Canadian trade mark opposition practice. In the Consultation Notice dated June 2010 entitled “Proposed Amendments to the *Trade-marks Regulations* Pertaining to Opposition Proceedings”, the Trade-marks Office has proposed the following changes (among others), which will have a significant impact on timelines and steps to be followed in an opposition proceeding:

- Permitting evidence in opposition proceedings to be filed electronically;
- Amending Rule 37(1) of the Regulations to allow parties to serve documents by facsimile and by any other means of electronic transmission, including email, with consent;
- Deleting Rule 43 of the Regulations which presently allows an opponent to file reply evidence as of right;
- Amending Rule 44 of the Regulations to prescribe a three month deadline for both parties to conduct cross-examinations following the filing of the applicant’s evidence under Rule 42 of the Regulations;
- Amending Rule 46 of the Regulations to set prescribed three-month deadlines for parties to file and serve their written arguments sequentially, followed by a prescribed period of one-month following the filing of the applicant’s written argument in which both parties may request an oral hearing; and
- Amending the transitional provisions relating to Rule 39 (filing of counter statements); Rule 41 (filing the opponent’s evidence) and Rule 42 (filing the applicant’s evidence) to simplify the dual system presently in place with respect to opposition proceedings for marks advertised before October 1, 2007 and those advertised on or after October 1, 2007.

This consultation closed September 20, 2010, and to date none of the proposed changes have been formally implemented by the Trade-marks Office.



Total time from Advertisement to Decision can range from 2 years to 6 or 8 years or more under the present timelines, depending on the number of extensions requested