

**IN THE MATTER OF AN  
OPPOSITION by C.A.T. Logistics  
Inc. and Canadian American  
Transportation C.A.T. Inc. to  
Application No. 1026030 for the  
Trade-mark CAT LOGISTICS filed  
by Caterpillar Inc.**

**I      The Pleadings**

On August 17, 1999, Caterpillar Inc. (the «Applicant») filed an application, based on use since April 8, 1991, to register the trade-mark C.A.T. LOGISTICS (the “Mark”), application number 1026030, in association with warehousing services, product distribution operations management services; logistics consulting services, namely, providing contract logistics services and consulting in the areas of inventory management, freight transportation management, and warehouse and product distribution operations management; designing and managing complete logistics solutions for others; design of computerized information systems for managing logistics and product distribution processes for others ( the “Services”).

The Applicant disclaimed the exclusive use of the word “LOGISTICS” apart from the trade-mark as a whole in order to overcome an office action.

On December 27, 2000, the application was advertised in the Trade-marks Journal for opposition purposes. On February 21, 2001, C.A.T. Logistics Inc. (“Logistics”) and Canadian American Transportation C.A.T. Inc. (“Transportation”), (Logistics and Transportation collectively referred to as “the Opponent”), filed a statement of opposition, a copy of which was forwarded on March 6, 2001, to the Applicant.

The grounds of opposition were drafted as follow:

- 1) La marque de commerce de la Requérante n’est pas enregistrable puisqu’elle crée de la confusion avec les marques de commerce “C.A.T. Logistics” et « C.A.T. Logistique » employées par les Opposantes depuis plusieurs années;

- 2) La requérante n'est pas la personne ayant droit à l'enregistrement de la marque de commerce puisqu'elle crée également de la confusion avec le nom commercial de l'opposante C.A.T. Logistics Inc./ C.A.T. Logistique Inc.
- 3) L'emploi de la marque de commerce "CAT Logistics" et l'emploi des marques de commerce des Opposantes dans la même région en relation avec les services sont susceptibles de faire conclure que les services liés à ces marques sont exécutés par la même personne.
- 4) L'emploi de la marque de commerce "CAT Logistics" et l'emploi du nom commercial de l'opposante C.A.T. Logistics Inc./ C.A.T. Logistique Inc. dans la même région sont susceptibles de faire conclure que les services liés à cette marque et les services liés à ce nom commercial sont exécutés par la même personne;
- 5) La Requérante n'est pas la personne ayant droit à l'enregistrement de la marque de commerce puisque les marques de commerce « C.A.T. Logistics » et « C.A.T. Logistique » sont employées au Canada par les Opposantes depuis plus d'une décennie et à tout événement, ont été employées antérieurement au 8 avril 1991 en relation avec des services d'entreposage et des services de gestion des opérations et de consultation en logistique;
- 6) La marque de commerce de la Requérante n'est pas distinctive en ce qu'elle est similaire voire identique aux marques de commerce employées par les Opposantes et au nom commercial de l'opposante C.A.T. Logistics Inc./ C.A.T. Logistique Inc;
- 7) De même, la marque de commerce de la Requérante n'est pas distinctive puisqu'elle ne permet pas de distinguer, dans le marché canadien, les services offerts par la Requérante des services déjà offerts et exécutés par les Opposantes.

In its counter statement, the Applicant denied the allegations contained in the Opponent's statement of opposition. Both parties filed written submissions and were represented at an oral hearing.

## **II The Opponent's evidence**

The Opponents' evidence consists of two affidavits of Mr. Daniel Goyette, filed on behalf of each opponent.

In one affidavit Mr. Goyette describes himself as the president of Logistics. He states that such entity was incorporated on February 2, 1996 and is a sister corporation of Transportation, both of them being controlled at 100% by Holding Canadian American Transportation C.A.T. Inc., an entity not part of this proceeding. Logistics is in the business of providing warehousing, management operation and logistics counselling services. Those services are provided in the provinces of Ontario and Quebec. Since its incorporation, Logistics has generated yearly revenues of at least \$3 millions. The affiant filed extracts of web pages that seems to be taken from the website of the opponent Transportation and not Logistics as alleged in his affidavit (reference is made to the title on the first page and two copyright notices on two different pages of exhibit A to his affidavit). They contain a description of the services provided.

Mr. Goyette alleges that all logistics services are offered by Logistics in association with the trademarks C.A.T.LOGISTICS and C.A.T. LOGISTIQUE and its corporate name C.A.T. Logistics Inc. The affiant provides names of important customers to whom those services were provided. He filed samples of stationary and letterhead used by Logistics. I notice that on some of the exhibits filed, only "C.A.T." appears while on others those letters are included in a predominant design and the words "Logistics Inc." are written in smaller script form and on a different line.

He filed an extract of an article published in the June 2000 issue of the magazine "Gestion Logistique" but we have no information on its circulation figures and where it was distributed. He concludes his affidavit by alleging that he believes that the public will associate Logistics to the Services provided in association with the Mark. This is one of the issues that I must determine and I shall disregard this conclusion in law.

In his other affidavit, he states that he has been the president of opponent Transportation. Its predecessor-in-title, Transport Américain-Canadien C.A.T. Inc was incorporated in September

1979. It merged on December 30, 1992 with an undisclosed entity to form Transportation. Holding Canadian American Transportation C.A.T. Inc controls both Logistics and Transportation.

I shall reproduce for ease of reference the content of paragraphs 5 and 13 of his affidavit:

« 5. Depuis le mois d’octobre 1983, l’Opposante offre à sa clientèle des services d’entreposage et des services de gestion des opérations et de consultation en logistique en utilisant la marque de commerce « C.A.T. Logistics » et « C.A.T. Logistique » ( ci-après appelés collectivement les « Services de logistique »);

(...)

13. Depuis le mois d’octobre 1983, les marques de commerce « C.A.T. Logistics » et « C.A.T. Logistique » ont été constamment utilisées et publicisées par l’Opposante »

He states that the yearly income generated by the services offered by Transportation in association with the trade-marks C.A.T. LOGISTICS and C.A.T. LOGISTIQUE is in excess of \$2.5 millions. Those services are offered in the provinces of Quebec and Ontario. He filed, as an exhibit, extracts of Transportation’s website pages describing the services it offers and the list of their places of business (same exhibit as Exhibit A to his affidavit filed as Logistics’ representative). He did file a copy of articles published in two magazines, the earliest one going back to July/August 1997. We do not know if those magazines ever circulated in Canada and if so, to what extent. I therefore give little weight to such evidence. In any event, those articles do not constitute advertisements of the Opponent’s trade-marks and cannot be considered as proper evidence of use of a trade-mark in association with services. [See *Williams Companies Inc. et al v. William Tel Ltd., (2000) 4 C.P.R. (4<sup>th</sup>) 253*]

The last paragraph of his affidavit is an opinion on the likelihood of confusion between the Opponent’s trade-marks and the Mark. I shall also not consider this statement.

### **III The Applicant’s evidence**

Heather Boyd has been a paralegal with the Applicant’s agents firm. On November 14, 2001, she was asked to conduct a search, using the Canadian Trade-marks Database, to locate all currently active trade-marks comprising the word “CAT” and owned by the Applicant. Ten active files were located but only one registered trade-mark, namely CAT and design, certificate of registration

number TMA549693, is relevant to these proceedings. A certified copy of such registration was filed in the record.

James Muir has been the Facility Operation Manager of Caterpillar Logistics Services Inc., a wholly owned subsidiary of the Applicant. It has been licensed by the Applicant to use the Applicant's trade-marks including the Mark.

He describes the Services as including warehousing and operations management, information technology, inventory management, transportation management and logistics consulting services. The Applicant began in 1991 offering in Canada the Services. He lists names of clients to whom the Services have been provided. The sales figures of the Services provided in Canada between 1992 and 2000 vary from \$478,000 to \$7,160,000. He has produced sample invoices, promotional material used since 1991, pictures of a signage of their Saskatoon facilities and a brochure on which appears the Mark.

He alleges that the Applicant is the owner of a family of trade-marks which incorporates the word CAT and as such the public will associate the Mark with the Applicant's well known family of trade-marks. I shall disregard this statement as there is no evidence of use of any of the Applicant's trade-marks that would be part of such family of trade-marks. [See *Warnaco v. Manufacturiers de bas de nylon Doris Ltée*, (2003) 28 C.P.R. (4th) 401, *Andres Wines Ltd v. T.G. Bright & Co., Ltd*, (1983) 79 C.P.R. (2d) 94 and *McDonald's Corp et al v. Peter MacGregor Ltd*, (1987) 15 C.P.R. (3d) 433]

#### **IV The Opponent's reply evidence**

Sylvie Meunier has been a legal assistant with the Opponent agents' firm. She conducted searches on the Strategis and the CIDREQ databases in order to provide some information on the corporate status of the two opponents. She filed as an exhibit to her affidavit the results of such searches.

## **V Preliminary issues**

The Applicant objected to the filing of the reply evidence on the basis that it does not constitute proper reply evidence since it was not confined to matters in reply as required by Rule 43(a) of the *Trade-Marks Regulations*. At the hearing, I ruled that the Meunier affidavit did not constitute proper reply evidence and I shall disregard its content. [See *Coca-Cola Ltd. v. Compagnie Française De Commerce International Cofci, S.A. (1991), 35 C.P.R. (3d) 406 (T.M.O.B.)*]

Nowhere in its statement of opposition did the Opponent referred to Section(s) of the *Trade-Marks Act* (the “Act”). If sufficiently pleaded, the Registrar can infer to which Section(s) of the Act the opponent intends to rely on. It is on that basis that I find that the first ground of opposition described above is not a proper ground of opposition. Either the Opponent intended to rely on registered trade-marks but failed to provide the registration numbers nor a certified copy of such registrations or it meant that it had previously used unregistered trade-marks. Such alternative would be redundant with the fifth ground of opposition described above.

The second ground of opposition is not properly pleaded as the Opponent failed to allege that such trade-name was previously used in Canada in order to rely on Section 16(1) of the Act. Therefore it is dismissed. The third and fourth grounds of opposition, as drafted, are not valid grounds of opposition and are also dismissed. The fifth ground of opposition is based on Section 16(1)(a) of the Act. Finally, I shall combine grounds six and seven under the issue of distinctiveness of the Mark.

During the hearing the Opponent argued, for the first time, that the evidence filed by the Applicant failed to disclose use of the Mark as of the claimed date of first use. This ground of opposition was not articulated in the Opponent’s statement of opposition. The Registrar cannot consider a ground of opposition not specifically pleaded in the statement of opposition. [See *Molson Cos. Ltd. v. Oland Breweries Ltd. (1988), 20 C.P.R. (3d) 39 (T.M.O.B.)*]

## **VI The Law**

The legal onus is upon the Applicant to show that its application complies with the provisions of Section 30 of the Act, but there is however an initial evidential burden on the Opponent to establish the facts relied upon by it in support of each ground of opposition. Once this initial burden is met, the Applicant still has to prove that the particular grounds of opposition should not prevent the registration of the Mark [See *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; and *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293].

The material time for considering the issue of non-entitlement based on Section 16(1) of the Act is the date of first use claimed in the application (April 8, 1991) [See Section 16 of the Act]. The material date for assessing the issue of distinctiveness is generally accepted to be the date of filing of the statement of opposition (February 21, 2001). [See *Andres Wines Ltd. and E&J Gallo Winery (1975)*, 25 C.P.R. (2d) 126 at 130 (F.C.A.), *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991)*, 37 C.P.R. (3d) 413 at 424 (F.C.A) and *Metro-Goldwyn-Meyer Inc v. Stargate Connections Inc. [2004] F.C. 1185*].

The Opponent will be successful on its fifth ground of opposition only if it first establishes use of its trade-marks C.A.T. LOGISTICS and/or C.A.T. LOGISTIQUE prior to the claimed date of first use of the Mark alleged in the application and that it has not abandoned such use at the date of advertisement of the present application (December 27, 2000) (Section 16(5) of the Act). “Use” is a legal term defined in Section 4 of the Act as:

- “4. (1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.
- (2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.
- (3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.”

I must therefore determine if the evidence filed by the Opponent meets the requirements of Section 4 of the Act.

The facts alleged in Mr. Goyette's affidavit signed as a representative of the opponent Logistics clearly establish that Logistics was incorporated after the claimed date of first use of the Mark and as such any evidence of use of the trade-marks C.A.T. LOGISTICS and/or C.A.T. LOGISTIQUE by such entity would be subsequent to the relevant date. Therefore this affidavit can only support the contention that there was non-abandonment of the use of the Opponent's trade-marks as of the date of publication of the application, when assessing the merit of the fifth ground of opposition described above.

Can I conclude from the facts described in Mr. Goyette's affidavit executed as a representative of the opponent Transportation that there has been prior "use" of any of the Opponent's trade-marks within the meaning of Section 4 of the Act? The allegations contained in paragraphs 5 and 13 of his affidavit, reproduced hereinabove, are conclusions in law and are not admissible evidence. [See *Conde Nast Publications Inc. v. Union des Éditions Modernes (1979)*, 46 C.P.R. (2d) 183] The evidence contained in such affidavit does not support his contention that Transportation has used, since October 1983, the trade-marks C.A.T. LOGISTICS and/or C.A.T. LOGISTIQUE, which would predate the date of first use of the Mark claimed by the Applicant. The earliest documentation, on the assumption that it would constitute proper evidence of "use" as defined in Section 4(2) of the Act, which is not the case as concluded above, would be the extract of an article published in the July/August 1997 issue of the Magazine "L'Expéditeur". Therefore I have no other alternative but to dismiss the fifth ground of opposition on the basis that the Opponent failed to discharge its initial burden of proof.

The distinctiveness ground of opposition must be assessed at a much later date, namely February 21, 2001, which makes most relevant the content of the Goyette's affidavit filed on behalf of Logistics. The Applicant argues that the Opponent's trade-marks C.A.T. LOGISTICS and C.A.T. LOGISTIQUE are not distinctive as, if I come to the conclusion that there is evidence of use of those trade-marks, they were used by two different entities. According to the Applicant, the mere



allegation that both opponent entities are fully controlled by a third party would not be sufficient to satisfy the requirements of Section 50 of the Act. The definition of “distinctive” at Section 2 of the Act clearly refers to the “use by others” and therefore, when lack of distinctiveness of a trade-mark is pleaded in an opposition, the opponent is not strictly limited to its use. To illustrate this point I cite Mr. Justice Deneault’s comments in *Clarco Communications Ltd. v. Sassy Publishers Inc.*, **54 C.P.R. (3d) 418 at 429 (F.C.T.D.)**:

“The ground of opposition considered here is set out in s. 38(2)(d) of the Trade-marks Act: "that the trade mark is not distinctive". "Distinctive" is defined in s. 2 of the Act as:

"distinctive"... a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them.

While distinctiveness is quite often determined as part of an evaluation of whether the proposed trade mark is confusing with another trade mark within the meaning of s. 6 of the Act, it is possible to refuse an application for registration on the basis of non-distinctiveness independent of the issue of confusion, provided the ground is raised in opposition. This is because of the reference to "others", meaning any other person, provided in the definition and because the material dates for determining the issues are different. The appellant argued that s. 17(1) applied to the ground of distinctiveness such that the opponent could not rely on evidence relating to "others" who are not the opponent's predecessors in title. I must disagree. The quality of distinctiveness is a fundamental and essential requirement of a trade mark and the ground of lack of distinctiveness may be raised in opposition by any person and may be based on a failure to distinguish or to adapt to distinguish the proposed trade mark from the wares of any others.”( my emphasis)

In any event, my analysis of this ground of opposition will focus mainly on the opponent Logistics’ use of its trade-name and not on the Opponent’s use of the trade-marks C.A.T. LOGISTICS and C.A.T. LOGISTIQUE.

There is no definition in the Act of what constitutes proper use of a trade-name. On this issue I refer to Madam Justice Simpson’s comments in *Mr. Goodwrench Inc. v. General Motors Corp.*, (1994) **55 C.P.R. (3d) 508** wherein she stated:

“There are no provisions in the Act which define and describe the use of a trade name. However, in his decision in *Professional Publishing Associates Ltd. v. Toronto Parent Magazine Inc.* (1986), 9 C.P.R. (3d) 207\_Mr. Justice Strayer

considered the problem and held that the principles in ss. 2 and 4(1) of the Act apply to trade name use. In this regard, His Lordship said:

While there is no definition in the Trade Marks Act of "use" in relation to trade names, I am satisfied that consistent with the purposes of the Act such "use" would have to be in the normal course of trade and in relation to the class or classes of persons with whom such trade is to be conducted.

Accordingly, use in the normal course of trade will be the test applied in these reasons.”

The Opponent’s evidence does establish “use” of the trade-name “C.A.T. Logistics Inc.” by the opponent Logistics prior to the filing date of the statement of opposition. To conclude in favour of the Opponent on this ground of opposition as drafted, I have to determine if there is a likelihood of confusion between the Mark and the opponent’s Logistics trade-name and if that is the case, decide if the trade-name C.A.T. Logistics Inc. has become sufficiently known in Canada to negate the distinctiveness of the Applicant’s Mark.

On the issue of confusion, I must refer to the criteria set out in Section 6(5) of the Act. I do not think that a detailed analysis of those criteria is necessary in the present case. Suffice to say that from the evidence described above, the Mark is identical to Logistics trade-name except for the abbreviation “Inc.”; there is an overlap between the services offered by Logistics in association with its trade-name and the Services provided by the Applicant in association with the Mark; and finally there is also an overlap between the parties’ respective trades.

The Applicant argues that the evidence in the record does establish that the Applicant is the senior user of the Mark and therefore, the opponent Logistics, relying on a junior trade-name, must establish a greater degree of reputation than the degree associated with the notion of “become known” sufficient to negate the distinctiveness of a trade-mark. [See *Vergina Import and Export International Inc. v. Vergina Foods Inc. (2001)*, 15 C.P.R. (4<sup>th</sup>) 559 at 567 (T.M.O.B.)] The Applicant takes the position that the evidence in the record falls short from meeting such higher standard. The Opponent’s evidence described in paragraphs 44 to 46 of the Applicant’s written argument may not have been sufficient by itself to conclude that Logistics trade-name was sufficiently known to negate the distinctiveness of the Applicant’s Mark. The Applicant emphasises the fact that the invoices filed by the opponent Logistics do represent only \$1500

worth of services rendered. In its submissions however, the Applicant failed to consider the uncontradicted allegation contained in Mr. Goyette's affidavit, signed as Logistics' representative, that Logistics' yearly sales figures were over \$3 millions.

I come to the conclusion that the evidence in the record does establish that the opponent Logistics' trade-name, at the time of filing of the statement of opposition, had enough of a reputation that it negates the ability of the Mark to distinguish or be adapted to distinguish the Applicant's Services provided in association with the Mark from the services provided by opponent Logistics in association with its trade-name, despite the sales volume of the Applicant in association with the Mark. As such, I maintain the sixth and seventh grounds of opposition on the basis that the Applicant's Mark is not distinctive nor is it adapted to distinguish the Applicant's Services from the services of others, in view of the opponent's Logistics use of its trade-name prior to February 21, 2001. [See *Andres Wines Ltd, supra*]

Having been delegated authority by the Registrar of Trade-marks by virtue of Subsection 63(3) of the Act, I refuse the Applicant's application to register the Mark pursuant to Subsection 38(8) of the Act.

DATED, IN MONTREAL, QUEBEC, THIS 11<sup>th</sup> DAY OF MAY 2005.

Jean Carrière,  
Member,  
Trade-marks Opposition Board