



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2011 TMOB 253
Date of Decision: 2011-12-21

**IN THE MATTER OF AN
OPPOSITION by Air Miles
International Trading B.V. to
application No. 1,325,438 for the
trade-mark RENTMILES in the
name of Rent Check Corporation**

FILE RECORD

[1] On November 23, 2006, Rent Check Corporation filed an application to register the trade-mark RENTMILES, based on proposed use in Canada, in association with:

wares

clothing, namely, casual wear; novelty items, namely, coffee mugs, key chains, pens; printed matter, namely, newsletters, posters, multimedia posters,

services

organization, management and administration of a residential customer loyalty and incentive program; provision of a residential customer loyalty program over the Internet.

[2] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated June 13, 2007 and was opposed by Air Miles International Trading B.V. on August 10, 2007. The Registrar forwarded a copy of the statement of opposition to the applicant on August 28, 2007, as required by s.38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[3] The opponent's evidence consists of the affidavits of Michael Kline; Jimmy Partington; Cliff Swaters; Daniel Park; Donald Easter and Elizabeth Futo. The applicant's evidence consists of the affidavits of Mary P. Noonan; John Dobrowolski; and Jane Griffith. The opponent's evidence in reply consists of the affidavit of Lucy Rooney.

[4] The opponent's affiant Michael Kline was cross-examined on his affidavit and the transcript thereof, answers to undertakings and answers to questions taken under advisement form part of the evidence of record. Also entered into evidence, by agreement between the parties, is a transcript of cross-examination of Cliff Swaters from an opposition proceeding concerning the mark MILES & MORE (see paragraph 42, below). The transcript from that proceeding serves in lieu of cross-examination of Mr. Swaters on his present affidavit.

[5] Each of the applicant's affiants was cross-examined on their affidavits. The transcripts thereof, answers to undertakings and answers to questions taken under advisement form part of the evidence of record. Both parties submitted written arguments and both were ably represented by counsel at an oral hearing held on November 30, 2011.

STATEMENT OF OPPOSITION

[6] 1. The first ground, pursuant to s.30(a) of the *Trade-marks Act*, alleges that the application does not contain a statement in ordinary commercial terms of the applicant's wares and services.

2. The second ground, pursuant to s.30(e) of the *Act*, alleges that the applicant, by itself or through a licensee, did not intend to use the applied for mark in Canada.

3. The third ground, pursuant to s.30(i), alleges that in view of the allegations in the statement of opposition, the applicant could not have been satisfied that it was entitled to use the applied for mark RENTMILES in Canada.

4. The fourth ground, pursuant to s.12(1)(d), alleges that the applied for mark RENTMILES is not registrable because it is confusing with one or more of the opponent's registered marks including the mark AIR MILES and various other of the opponent's registered marks comprised in part of the word components AIR MILES. The opponent's registered mark AIR MILES covers the following services:

advertising and promotion of wares and services of others;
organization, operation and supervision of sales and
promotional incentive schemes.

5. The fifth ground, pursuant to s.16(3)(a) and s.16(3)(b), alleges that the applicant is not entitled to register the applied for mark RENTMILES because, at the date of filing the application, it was confusing with one or more of the opponent's marks including the mark AIR MILES, and various other of the opponent's marks comprised in part of the word components AIR MILES, which had been previously used in Canada or for which an application for registration had been previously filed in Canada by the opponent.

6. The sixth ground, pursuant to s.16(3)(c), alleges that the applicant is not entitled to register the applied for mark RENTMILES because, at the date of filing the application, it was confusing with one or more of the opponent's trade-names including the trade-name AIR MILES, and various other of the opponent's trade-names comprised in part of the word components AIR MILES, which had been previously used in Canada by the opponent.

7. The seventh ground, pursuant to s.2, alleges that the applied for mark is not distinctive and is not adapted to distinguish the applicant's wares and services from those of the opponent in view of the foregoing allegations.

OPPONENT'S EVIDENCE

Michael Kline

[7] Mr. Kline identifies himself as a senior executive with Loyalty Management Group Canada Inc. ("Loyalty"), the exclusive licensed user in Canada of the opponent's trade-marks, which Mr. Kline refers to collectively as the AIR MILES marks. The opponent exercises control over the character and quality of the wares and services in association with which Loyalty uses the AIR MILES marks in Canada. Further, public notice is given in advertising, publications and direct mailings that the AIR MILES marks are the property of the opponent and are used under license in Canada by Loyalty.

[8] Loyalty has provided an incentive reward program in Canada in association with the AIR MILES marks since 1992. The program involves licensed users (hereinafter

“Program Sponsors”) issuing AIR MILES reward miles as an incentive to customers to purchase the Program Sponsors’ wares and services. The Program Sponsors pay fees to Loyalty based on the number of AIR MILES reward miles that they issue. Loyalty, on its own behalf and on behalf of the opponent, has direct or indirect control of the character and quality of the wares and services provided in association with the AIR MILES marks. Further, Program Sponsors are required to indicate in all advertising, promotional and other material depicting any of the AIR MILES marks that the opponent is the owner of the marks and that AIR MILES marks are used under license. Program Sponsors include, for example, Westjet, Travel Plus, Holiday Inns Hotels, Alamo Car Rental, IGA, Sobeys, The Liquor Control Board of Ontario, Boston Pizza, Goodyear Canada Inc., Shell, Rona, Primus, Century 21 Real Estate, PharmaPlus, and Bank of Montreal. The AIR MILES marks are displayed by Program Sponsors to represent their right to issue AIR MILES reward miles.

[9] Members of the public enrol in the AIR MILES reward program as “Collectors.” An individual’s status as a Collector is evidenced by an AIR MILES card featuring an account number particular to the Collector. When a Collector makes a qualifying purchase, the Collector presents his card and the Collector is credited with reward miles that can be accumulated and redeemed for air travel, hotel accommodation, car rental, vacation packages, cruises and a wide array of merchandise.

[10] By 1994, one billion AIR MILES reward miles had been issued to Collectors in Canada and by 1998 one million redemption transactions had been processed in Canada. By 2007, twenty-six billion AIR MILES reward miles had been issued to Collectors in Canada and twenty-seven million redemption transactions had been processed in Canada. Since the beginning of 1998, over 65% of Canadian households have had a Collector, representing over 9 million individual Collectors. The AIR MILES reward program launch in 1992 was supported by an extensive advertising campaign and continues to be advertised on television, in print media, point of purchase advertising and other means. From 1998 to the present, Loyalty has spent over \$15 million annually on advertising the AIR MILES reward program. Total advertising was significantly higher taking into account advertising and promotion by Program Sponsors. Since 1998, revenues from the operation of the AIR MILES reward program in Canada have exceeded \$100 million

annually. Mr. Kline's affidavit attaches extensive exhibit material to illustrate and support his written testimony.

[11] From my review of the exhibit material attached to Mr. Kline's affidavit, it appears that the opponent's marks which are used most often are the word mark AIR MILES and the logo shown below, both registered marks relied on by the opponent in the statement of opposition:



[12] Mr. Kline was comprehensively cross-examined on his affidavit evidence. His testimony on cross-examination does not detract from the salient points of his affidavit evidence which I have summarized above.

[13] Mr. Kline's evidence in the instant proceeding appears in some respects to be similar to the opponent's evidence in *Air Miles International Trading B.V. v. Kendall Marketing Associates Inc.* (2002), 25 C.P.R.(4th) 562 (T.M.O.B.) where the present opponent succeeded against the applied for mark VACATIONMILES for use in association with a loyalty program related to travel and vacations. The Board's observations in *Kendall*, at pages 567-568, are relevant in the instant case:

Many of the materials provided as exhibits to Mr. Underwood's affidavit display the AIR MILES trade-mark with a notice such as: "® Registered trademark of AIR MILES International Holdings N.V., used under licence by Loyalty Management Group Canada Inc."; or "™ AIR MILES International Holdings N.V., Loyalty Management Group Canada Inc., Authorized User". To the extent that such public notice is given, Loyalty's use inures to the benefit of the opponent under s. 50. Such a notice has been shown to appear on the AIR MILES Web site, posters and hanging signs, application forms for enrollment as an AIR MILES collector, travel itineraries/invoices, as well as newsletters, summary statements and pamphlets sent to AIR MILES collectors.

The question arises as to whether the "use" by sponsors affects the distinctiveness of the opponent's mark. Although I appreciate that Mr. Underwood has said that these parties are licensed to use the trade-mark, it appears to me that the nature of their "use" of AIR MILES is not trade-mark use. Rather they display the trade-mark to indicate to AIR MILES collectors that purchases of the sponsor's product will result in AIR MILES being awarded. Given the collectors' knowledge of how the AIR MILES program works, I do not see that the collectors would consider the

sponsors to be the source of the AIR MILES program. Rather it appears that the display of the AIR MILES trade-mark by the sponsors is similar to how retailers display the trade-marks of the manufacturers of products that they sell.

There is a reported decision concerning an opposition by the owner of the AIR MILES trade-mark to the trade-mark GAS MILES that merits comment. It is *Petro-Canada v. Air Miles International Holdings N.V.* (1998), 83 C.P.R. (3d) 111 (T.M.O.B.), which was the subject of an appeal. The Opposition Board rejected that opposition because most of the opponent's evidence apparently showed use that did not satisfy s. 50 of the Act; as a result it was held that the AIR MILES mark was not distinctive of any one source and therefore the marks were held to not be confusing. The Federal Court, Trial Division allowed the appeal on April 18, 2001 and varied the Registrar's decision so that the appeal decision still held that the trade-marks were not confusing but also held that the opponent's AIR MILES trade-marks were distinctive of the opponent. New evidence was filed before the Federal Court but the contents of such is not discussed in the decision because both parties consented to the outcome of the appeal; as a result, the decision is not particularly useful as a precedent.

[14] In the instant case the applicant has not raised issues relating to licensing. In any event the evidence of record herein, as in *Kendall*, above, permits me to conclude that use of the mark AIR MILES inures to the benefit of the opponent by virtue of s.50 of the *Trade-marks Act*.

Jimmy Partington

[15] Mr. Partington identifies himself as an employee of Loyalty who was responsible for media advertising for the AIR MILES reward program for the period 2000 to 2005. His evidence provides details of radio advertising and generally corroborates Mr. Kline's evidence of extensive advertising of the AIR MILES reward program.

Elizabeth Futo

[16] Ms. Futo identifies himself as an employee of Maritz Research, a marketing and survey company located in Toronto, Ontario. Maritz was commissioned by Loyalty in 2005 and 2006 to conduct surveys to track levels of awareness and of membership in various reward programs and credit card programs in the Canadian market.

[17] The first question asked in the survey was "Which one name comes to mind when you think of programs where you collect points or miles for purchases you make, and the points can be redeemed for free rewards?"

[18] The results of the survey are tabulated in Exhibits 5 and 6 of Ms. Futo's affidavit. The results indicate that the AIR MILES reward program was by far the best known, followed, in order, by HBC Rewards, SDM Optimum, AC Aeroplan, Petro Points, Sears Club and CT Options.

Cliff Swaters

[19] Mr. Swaters identifies himself as an employee of Maritz: Thompson Lightstone ("MTL," located in Toronto, Ontario) during the period June 2000 to June 2004. MTL was commissioned by Loyalty, in December 2001, to conduct a survey similar to the one conducted by Ms. Futo, discussed above. The results of the survey are tabulated in Exhibit 2 of Mr. Swaters affidavit. The results indicate that the AIR MILES reward program was by far the best known of several reward programs offered in Canada in December 2001.

[20] As mentioned in paragraph 4, above, a transcript of Mr. Swaters' cross-examination from another opposition proceeding forms part of the record herein. Mr. Swaters' testimony in the transcript of that cross-examination does not detract from the salient points of his affidavit evidence which I have summarized above.

Daniel Park

[21] Mr. Park identifies himself as project Director with Consumer Contact located in Toronto, Ontario. Consumer Contact conducts consumer and business surveys and is the entity that actually carried out the survey described by Cliff Swaters. The survey was conducted by Consumer Contact "in accordance with the parameters set by Maritz: Thompson Lightstone by asking the questions provided to us [Consumer Contact] by Maritz: Thompson Lightstone."

Donald Easter

[22] Mr. Easter identifies himself as an executive with BBM Canada, a not-for-profit broadcaster research company that was jointly established in 1944 as a cooperative by Canadian broadcasters and advertisers. His evidence corroborates the wide audience

reached by radio advertising for the AIR MILES reward program referred to by Mr. Partington in his affidavit.

APPLICANT'S EVIDENCE

John Dobrowolski

[23] Mr. Dobrowolski identifies himself as the president and owner of the applicant company. The applicant provides commercial credit-check services to rental-property owners and rental-property managers. Customers of the applicant can, for a fee, become members of the company to gain access to the applicant's databases and services. The databases are used to screen prospective tenants and are compiled from public records as well as from information provided by landlord members. The applicant intends to expand its business to provide landlord administration services to its clients and members. One such administrative service is the RENTMILES program. Landlord members will be able to provide incentives to their tenants through the RENTMILES program,. The incentives will take the form of "credits" which tenants will receive in exchange for "loyalty" or for upgrading or repairing the rental property. Tenants will then be able to exchange such credits for "products or other rental services." The applicant will administer the RENTMILES program and will promote and advertise the program on behalf of its landlord clients.

[24] Mr. Dobrowolski's testimony on cross-examination does not detract from the salient points of his affidavit evidence which I have summarized above, although it appears from his responses that the wares specified in the subject application are likely intended to be promotional items ancillary to the loyalty program.

Mary P. Noonan

[25] Ms. Noonan identifies herself as a trade-marks searcher employed by the firm representing the applicant. In July 2008 she conducted a search of the Trade-marks Register for active marks comprised of the component MILES associated with various types of rewards programs. She states that her search revealed 22 such marks. From my inspection of the evidence, I note that the marks stand in the names of 10 different owners and include, for example:

5 applications for ASIA MILES formative marks in the name of Cathay Pacific Airways;
3 registrations for DIVIDEND MILES formative marks in the name of US Airways;
1 registration for MILES WITH A MISSION and 1 application for TAXIMILES in the name of TaxiMiles Inc.;
2 registrations for TRAVELODGE MILES formative marks in the name of Travelodge Hotels;
2 applications, for CRUISE MILES and SEAMILES, in the name of SeaMiles LLC.

[26] The remaining 2 registrations and 3 applications are in the names of different parties. By my count, Ms. Noonan's search located 19 marks.

Jane Griffith

[27] Ms. Griffith identifies herself as a researcher offering services through her business Griffith Research. Ms. Griffith conducted research into the "use of the word miles in promotional materials for customer loyalty programs available to Canadians" by visiting businesses with customer loyalty programs and by searching the Internet. The results of her searches are attached as exhibits to her affidavit. The findings are divided by three main business groupings namely, financial; travel & hospitality; and retail. For example, with respect to the financial sector, Ms. Griffith visited a TD Canada Trust branch, a RBC Royal Bank branch and a CIBC branch all located in Toronto. Each business provides brochures describing their credit card loyalty program where customers collect "miles." Similar loyalty programs are described on Internet sites for Diners Club and for American Express Canada as well as for several travel & hospitality and retail businesses.

[28] At cross-examination, Ms. Griffith agreed with counsel for the opponent concerning the distinction between a loyalty program on the one hand and the "points," "rewards," or "miles" which are the "currency" of a loyalty program. In its written argument, at page 47, the opponent submits that the word "miles" in the exhibits attached

to Ms. Griffith's affidavit is used to describe the "currency" being collected in a loyalty program rather than being used in a trade-mark sense to identify a loyalty program. The opponent's submission on this point is conceded by Ms. Griffith: see, for example, Q 133 to 135 of Ms. Griffith's transcript of cross-examination, shown below:

133. Q. And if you go to the next page, you will see that throughout the body, it talks about the "TD/AAdvantage [with little R] Platinum Visa Card"?

A. Yes.

134. Q. And then it says, for example, in the second...I do not know what you call this, but in the first column of the second page, under the second banner that says:

"...The first time you use your card, get 10,000 bonus AAdvantage Miles..."

A. Yes. I see that.

135. Q. I take it that that reference, "get 10,000 bonus AAdvantage Miles", means the currency. That is not the program. That is the currency you collect under the program?

A. That is how I understand that.

OPPONENT'S REPLY EVIDENCE

Lucy Rooney

[29] Ms. Rooney identifies herself as a trade-mark clerk with the firm representing the opponent. In June 2009 Ms. Rooney performed a search of the trade-marks register, the results of which are tabulated in paragraphs 4 to 7 of her affidavit. From my inspection of Ms. Rooney's affidavit, I note that of the various marks cited by Ms. Noonan (i) two applications, for CRUISE MILES and NO HASSLE MILES, have been opposed by the present opponent, (ii) one application, for SEA MILES, was refused in consequence of an opposition by the present opponent, (iii) three of the registrations, for SUPERMILES, TRAVELODGE MILES, and TRAVELODGE MILES & Design, have been expunged.

MAIN ISSUE & MATERIAL DATES

[30] The main issue in this proceeding (which will effectively decide the fourth, fifth, sixth and seventh grounds of opposition) is whether the applied for mark RENTMILES is confusing with the opponent's mark AIR MILES. The legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of s.6(2) of the *Trade-marks Act*, shown below, between the applied for mark and the opponent's mark:

The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services . . . associated with those trade-marks are manufactured . . . or performed by the same person, whether or not the wares or services . . . are of the same general class.

[31] Thus, s.6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by s.6(2) is whether there would be confusion of the applicant's wares and services, sold under the mark RENTMILES, as wares or services emanating from or sponsored by or approved by the opponent.

[32] The material dates to assess the issue of confusion are (i) the date of decision, with respect to the ground of opposition alleging non-registrability; (ii) the date of filing the application with respect to the grounds of opposition alleging non-entitlement, in this case November 23, 2006; and (iii) the date of filing the statement of opposition with respect to the ground of opposition alleging non-distinctiveness, in this case August 10, 2007: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v. Canadian Retired Persons* (1998), 84 C.P.R.(3d) 198 at 206 - 209 (F.C.T.D.).

LEGAL ONUS AND EVIDENTIAL BURDEN

[33] The legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition. The presence of a legal onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant. However, there is also, in accordance with the usual rules of

evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293 at 298 (F.C.T.D.). The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist.

TEST FOR CONFUSION

[34] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are “all the surrounding circumstances including” those specifically mentioned in s.6(5)(a) to s.6(5)(e) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as the weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 C.P.R.(4th) 361 (S.C.C.), although the degree of resemblance is the last factor cited in s.6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

CONSIDERATION OF S.6(5) FACTORS

[35] The opponent’s mark AIR MILES possesses a fairly low degree of inherent distinctiveness as it is comprised of two common words. The inherent distinctiveness of the opponent’s mark is further lessened as the word “miles” is in common use as the “currency” of various loyalty reward programs. Thus, the opponent’s mark is to some extent suggestive of a loyalty reward program. Similarly, the applied for mark RENTMILES possesses a fairly low degree of inherent distinctiveness and is to some extent suggestive of a loyalty reward program. The applicant has not demonstrated any acquired distinctiveness for its mark RENTMILES at any material time. Based on the

evidence of record, I infer that the opponent's mark AIR MILES was very well known in Canada, if not famous in Canada, at all material times. Thus, the first factor in s.6(5), which is a combination of the inherent and acquired distinctiveness of the parties' marks, strongly favours the opponent. I would add that Ms. Noonan's evidence is insufficient for me to infer that third party use of trade-marks incorporating the component MILES has in any way diminished the acquired distinctiveness of the opponent's mark AIR MILES.

[36] The second factor in s.6(5), which is the length of time that the marks in issue have been in use, also favours the opponent. In this regard, the opponent began to use its mark AIR MILES in Canada about 14 years before the applicant filed the subject application for the mark RENTMILES based on proposed use of the mark.

[37] The applicant intends to use the applied for mark for a loyalty program similar in concept to the opponent's loyalty program. However, the applicant's program is restricted to rental properties rather than operating in the wide area of consumer activities attaching to the opponent's loyalty program. Nevertheless, Century 21 Real Estate, a Program Sponsor of AIR MILES (see paragraph 8, above) is involved in property rental management to consumers and has issued in excess of one hundred million AIR MILE reward miles (see items 3 and 4 of Mr. Kline's answers to undertakings at cross-examination). Thus, there is potential for the parties' loyalty programs to overlap in the applicant's restricted area of activity. The third and fourth factors of s.6(5), considered together, weigh in favour of the opponent.

[38] The two components of the opponent's mark namely, AIR and MILES, are both fairly equally dominant. However, as the component AIR occupies the first portion of the mark, it is somewhat more important for the purposes of distinction: see *Conde Nast Publications Inc. v. Union Des Editions Modernes* (1979) 26 C.P.R.(2d) 183 at 188 (F.C.T.D.). The applied for mark would also be perceived as comprised of two dominant components namely, the first portion RENT and the second portion MILES. As the term RENT occupies the first position, it is somewhat more important for the purposes of distinction. As the marks in issue share the same dominant component MILES as a suffix, there is necessarily a fair degree of resemblance between them. Nevertheless, when the marks in issue are considered in their entireties, they are more different than alike visually, in sounding and in ideas suggested owing to the first portions of the marks.

Stated otherwise, the marks in issue resemble each other to a fair degree but nevertheless they are more different than alike. Thus, the final factor in s.6(5) weighs in favour of the applicant, but only to a limited extent. The issue of resemblance between the parties' marks is considered further, below.

FURTHER CONSIDERATIONS

Applicant's Written Argument

[39] The applicant makes the following submissions at paragraphs 153–155 of its written argument:

153. The Opponent's most relevant mark is AIR MILES (TMA443821). The Applicant submits that the MILES component deserves a low ambit of protection given that there is common adoption of the word "miles" in association with sales and promotional incentive schemes, and indeed the word "miles" is a descriptive term used by consumers in Canada to refer to points or something equivalent to points collected as part of such schemes.

154. Furthermore, when comparing RENTMILES to AIR MILES, the first and most important elements of each mark are wholly distinct: RENT and AIR are completely different in appearance, sound and ideas suggested.

155. Accordingly, having regard to the legal principles stated above, the Applicant states that the average Canadian consumer would not be confused by the appearance, sound and ideas suggested by the parties' marks.

[40] I have effectively accepted the applicant's submissions in paragraph 154, above, in finding that the marks in issue differ more than they are alike. However, I do not accept the submissions in paragraphs 153 and 155. In this regard, while it is true that "miles" is a term commonly adopted to refer to the currency of a loyalty program, it has not been established that the term MILES has been commonly adopted as a component of trade-marks which identify loyalty programs. And in any event, the issue to be addressed is the ambit of protection that should be accorded to the mark AIR MILES as a whole rather than to the singular term MILES. Given my earlier finding that the opponent's

mark AIR MILES was very well known at all material times, it follows that the opponent's mark should be accorded a wide ambit of protection.

[41] With respect to paragraph 155, above, the issue is not whether consumers would be “confused by the appearance, sound and ideas suggested by the parties' marks.” As stated earlier, the issue is whether there would be confusion of the applicant's wares and services, sold under the mark RENTMILES, as wares or services emanating from or sponsored by or approved by the opponent who operates a loyalty program under the mark AIR MILES.

Jurisprudence

[42] In a fairly recent opposition proceeding involving the present opponent, reported as *Air Miles International Trading B. V. v. Deutsche Lufthansa AG* (2010), 89 C.P.R.(4th) 230, the opposed mark MILES & MORE covered services which included “administration of incentive reward programs promoting the use of airlines.” In refusing the application, the Board commented as follows at paragraph 74 of the reported decision:

It has been said that the most crucial or dominant factor in determining the issue of confusion is the degree of resemblance between the trade-marks (see *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd.* (1980), 47 C.P.R. (2d) 145 (F.C.T.D.) at 149, affirmed 60 C.P.R. (2d) 70 (F.C.A.)). In the present case, at first blush the differences between AIR MILES and MILE[sic] & MORE might seem sufficient to make confusion unlikely. However, it is my view that the Opponent has established an almost overwhelming reputation in its AIR MILES mark and, even though “miles” is a term [synonymous with “points”] employed in the associated industry, I am concerned that the Applicant has not chosen a mark that is sufficiently different from the Opponent's well known mark nor acquired a sufficient reputation in its inherently weak mark to make confusion unlikely.

(emphasis added)

[43] Similarly, in the instant case, (i) the opponent has established an almost overwhelming reputation for its mark AIR MILES, and (ii) the applied for mark RENTMILES is different, but not especially different, from the opponent's mark. I share the same concern in the instant case that was expressed by the Board in *Deutsche Lufthansa*, above.

DISPOSITION

[44] Considering that the opponent has used its mark AIR MILES very extensively and for a long period, that the services associated with the marks are similar in concept, that the applicant has not established the common adoption of marks ending in MILES for loyalty programs, and that there is a fair degree of resemblance between the marks in issue (even though they are more different than alike), I find that at all material times the applicant has failed to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the applied for mark RENTMILES and the opponent's mark AIR MILES. Accordingly, the opponent succeeds on the fourth, fifth, sixth and seventh grounds of opposition. It is therefore not necessary to consider the remaining grounds of opposition.

[45] In view of the foregoing, the application is refused. This decision has been made pursuant to a delegation of authority under s.63(3) of the *Trade-marks Act*.

Myer Herzig
Member
Trade-marks Opposition Board