

IN THE MATTER OF IWO OPPOSITIONS
by Citigroup Inc. to application nos. 1165031
and 1187778 for the trade-marks CITI COMMERCIAL and CITI
RESIDENTIAL, respectively,
filed by Citi Commercial Real Estate Services Inc.

On January 16, 2003, the applicant Citi Commercial Real Estate Services Inc. filed an application to register the mark CITI COMMERCIAL, based on use of the mark since November 4, 2002, in association with

provision of commercial real estate services namely, the acquisition and disposition of commercial real estate, commercial real estate leasing services, tenant representation and professional negotiation pertaining to commercial real estate, commercial market analysis and research services, documentation management, project management and brokerage services.

In order to overcome objections raised by the Examination Section of the Trade-marks Office, the applicant (i) disclaimed the exclusive use of the words CITI and COMMERCIAL apart from the trade-mark as a whole, and (ii) provided documentation that the owner of the official mark CITI & Design gave permission for the applicant " to use and register as a trade mark the word 'CITI' . . . "

The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated April 7, 2004 and was opposed by Citicorp on September 8, 2004. The Registrar forwarded a copy of the statement of opposition to the applicant on September 14,

2004. The applicant responded by filing and serving its counter statement. The opponent was later granted leave to submit a revised statement of opposition: see the Board ruling dated June 20, 2005. During the course of this proceeding the original opponent Citicorp merged with Citigroup Inc. Thereafter the opposition continued in the name Citigroup Inc.

The opponent's evidence consists of (i) certified copies of trade-mark registrations and applications relied on in the statement of opposition, (ii) the affidavit of Charles Alexander, a lawyer and an executive with Citigroup and Citibank operating in Canada. The applicant's evidence consists of the affidavit of Agron S. Miloti, President and main shareholder of the applicant company. Both parties submitted a written argument. The opponent was represented by counsel at an oral hearing while applicant was represented by Mr. Miloti.

STATEMENT OF OPPOSITION

The statement of opposition pleads that the opponent is the owner of a well known family of CITI trade-marks including CITIBANK, CITIBUSINESS, CITICORP, CITIFINANCIAL, CITIGROUP, and CITILEASE. Generally speaking, the opponent provides financial services under its marks. Such services include banking services, credit card services and insurance services including mortgage lending, real estate investment trusts, real estate insurance services and real estate investment services. The opponent licenses related companies to use its trade marks and trade-names CITIBANK CANADA and CITI COMMERCE SOLUTIONS OF CANADA, LTD.

The grounds of opposition allege that:

(i) the applied for mark is not registrable, pursuant to Section 12(1)(d) of the *Trade-marks Act*, because the applied for mark CITI COMMERCIAL is confusing with the opponent's trademark registrations included in the opponent's family of CITI marks,

(ii) the applicant is not entitled to register the applied for mark CITI COMMERCIAL, pursuant to Sections 16(a), (b) and (c) of the *Act*, having regard the opponent's prior use of its family of CITI trade-marks and Citi trade-names,

(iii) the applied for mark is not distinctive having regard to the opponent's use of its CITI family of trade-marks and trade-names.

OPPONENT'S EVIDENCE

Mr. Alexander's affidavit lacks precision and particulars in some areas of his testimony. However, on a fair reading of his affidavit as a whole and in the absence of cross-examination, I understand his evidence as follows. Citibank Canada has been in operation in Canada since 1960. Citibank Canada is related to the opponent and is licensed to use the opponent's marks in accordance with Section 50(1) of the *Trade-marks Act*. As of 2005, Citibank Canada had over 3000 employees working in major Canadian cities including Toronto, Montreal, Calgary, London and Vancouver.

Exhibit A attached to Mr. Alexander's affidavit is comprised of various documents and brochures featuring the mark CITIBANK. One such document bears the expression "residential mortgages" at the top of the first page. The amount of residential and commercial mortgages underwritten by Citibank Canada is consistently in the hundreds of millions of dollars annually prior to and since the applicant adopted the applied for marks CITI COMMERCIAL and CITI

RESIDENTIAL.

Exhibit C attached to Mr. Alexander's affidavit is comprised of various documents and brochures featuring the mark CITICAPITAL. The opponent offers, among other things, leasing and financing programs to vendors of industrial equipment (such as cranes, elevators and dry wall) used in the construction industry. The services offered under the trade-mark and trade-name CITICAPITAL has a financial base of leases and collateral mortgages in Canada in excess of \$1 billion dollars as of May 2005. The opponent has used its mark CITICAPITAL prior to and since the applicant adopted the applied for marks CITI COMMERCIAL and CITI RESIDENTIAL.

Exhibit D attached to Mr. Alexander's affidavit is comprised of various documents and brochures featuring the mark (and trade-name) CITIFINANCIAL. Shown below are examples of how the mark (and trade-name) is used to promote the opponent's service:

You may have more equity in your home than you realize. With CitiFinancial's EquityPlus home equity loan, you could take advantage of up to 100% of your home's value right now and put it to work for you! Whether it's buying furniture for your new house or using the cash for an entirely different purpose like buying a car, paying off bills, or affording college or university tuition, EquityPlus may make it possible!

At CitiFinancial, we may have a solution to higher-rate personal loans and credit cards! CitiFinancial's AdvantagePlus is a fully secured, adjustable-rate home equity loan that allows you to borrow more with an affordable monthly payment.

Turn the equity in your home into borrowing power and pay off all your bills at once by refinancing your first mortgage with CitiFinancial. Whether you want a shorter-term loan, need extra cash, or simply want to lower your monthly payment, we'll help you find the best solution to Balance Your Budget . Take comfort in knowing your rate and payment will never change with our fixed-rate first mortgage. Or, save a little extra cash each month with the lower initial rate and payment of our adjustable-rate AdvantagePlus loan.

For the period 2001 - 2004 inclusive, billions of dollars worth of loans were issued under the CITIFINANCIAL mark and trade-name, while loans under the EQUITY PLUS program, referred to above, were in the hundreds of millions of dollars.

The opponent offers CITI MASTERCARDS to consumers and businesses, and through Citi Commerce Solutions of Canada Ltd. (presumably a related company) issues private label credit cards for companies including HOME DEPOT, IKEA, PETRO CANADA, BUILDERS CHOICE and GOODYEAR. The HOME DEPOT card has a consumer and commercial side, the latter issued to companies in the trade who supply services for property maintenance, management and repair. Such CITI cards began issuing before the applicant adopted the applied for marks CITI COMMERCIAL and CITI RESIDENTIAL. As of May 2005, there were in excess of one million persons in Canada using a credit card issued by CITIBANK CANADA, with billions of dollars spent annually. The CITI credit card features the word CITI in large letters across the face of the card and in smaller (but highly visible) font at the top right hand corner of the card: see Exhibit E of Mr. Alexander's affidavit.

Mr. Alexander also states, at paragraph 17 of his affidavit, that " real estate companies recommend and/or arrange for financing such as mortgages and bridge financing for their clients. . . "

APPLICANT'S EVIDENCE

Mr. Miloti's affidavit evidence is, for the most part, not relevant to the issues in this proceeding. Further, portions of the applicant's written argument attempt to introduce evidence of third party marks comprised of the formative CITI. Such information should have been submitted by way of evidence in chief or as additional evidence. Accordingly, I have not had regard to portions of the written argument which constitute inadmissible evidence. Mr. Miloti does state that the applicant is licensed to carry on the business of real estate brokerage and that the applicant has no intention to be involved in finance. Mr. Miloti further notes that the opponent is not licensed to carry on the business of real estate brokerage and therefore concludes that "the services the applicant provides and the services the opponent provides are completely different. "

MAIN ISSUE

The determinative issue with respect to application no. 1165031 is whether the applied for mark CITI COMMERCIAL is confusing with one or more of the opponent's trade-marks including CITI, CITIBANK, CITICAPIT AL, and CITIFINANCIAL. The material dates to assess the issue of confusion are (i) the date of my decision with respect to the ground of opposition alleging non-registrability; (ii) the applicant's claimed date of first use in Canada (November 4, 2002) with respect to the ground of opposition alleging non-entitlement; (iii) the date of

opposition (September 8, 2004) with respect to the ground of opposition alleging non distinctiveness: 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.).

TEST FOR CONFUSION

The legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of Section 6(2) of the *Trade-marks Act*, between the applied for mark CITI COMMERCIAL and one, or more, of the opponent's trade-marks including CITI, CITIBANK, CITICAPITAL, and CITIFINANCIAL. The presence of an 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: see *John Labatt Ltd. v. Moison Companies Ltd.* (1990) 30 C.P.R.(3d) 293 at 297-298 (F.C.T.D.). 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 set out in Section 6(5) of the *Trade-marks 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 the sound of the marks or in the ideas suggested by them. This list is not exhaustive; all relevant factors are to be considered. All factors do not necessarily have equal weight. 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.).

SECTION 6(5).F ACTORS

The opponent's trade-marks CITI, CITIBANK, CITICAPITAL, and CITIFINANCIAL possess some degree of inherent distinctiveness owing to the misspelling of the word "city." The applied for mark CITI COMMERCIAL also possesses some inherent distinctiveness owing to the component CITI first adapted and used by the opponent. Despite areas of incompleteness in Mr. Alexander's affidavit, in the absence of cross-examination I am prepared to find that the opponent's marks CITI, CITIBANK, CITICAPITAL, and CITIFINANCIAL had acquired a significant reputation in Canada at all material times. The applied for mark CITI COMMERCIAL would not have acquired any reputation at the earliest material date and the applicant has not submitted evidence to show that the applied for mark became known at the later material dates. The length of time that the marks in issue have been in use favours the opponent as the opponent began to use its marks before the applicant commenced use of its mark CITI COMMERCIAL. I accept Mr. Miloti's argument that the parties' services are distinct, however, a person entering into a transaction to lease or purchase residential or commercial real estate is likely to require financing to complete the transaction. It follows that a person dealing with the applicant will at the same time require the type of services offered by the opponent. While Mr. Miloti is correct that the parties' services are distinct, the parties' services are nevertheless connected. It is entirely plausible that persons looking to the applicant for real estate services would also be looking to the opponent for financing the transaction.

The marks in issue resemble each other to a fair extent as the applicant has incorporated the component CITI into its mark. In this regard, the first portion of a trade-mark is the most

relevant for purposes of distinction see *Pernod Ricard v. Mo/son Breweries* (1992), 44 C.P.R. (3d) 359 at 370 (F.C.T.D.).

As mentioned earlier, the opponent has established a reputation for its marks CITI, CITIBANK, CITICAPITAL, and CITIFINANCIAL. I also find, from an inspection of the exhibit material attached to Mr. Alexander's affidavit and from a fair reading of his affidavit testimony, that the opponent has used various other of its marks pleaded in the statement of opposition. Accordingly, the opponent has established a family of marks, prefixed by the component CITI, used in association with various types of financial services. As noted by Mr. Justice MacKay in *Consumers Distributing Co. v. United Consumers Club, Inc.* (1991) 35 C.P.R.(3d) 259 at 272, para. a:

Jurisprudence has established that there is a presumption that marks containing common elements form a series of related marks; viewed as a cluster, the likelihood of confusion is greater if another mark with similar common elements were registered for another applicant: see *McDonald's Corp. v. Yogi Yogurt Ltd.* (1982), 66 C.P.R. (2d) 101, 16 A.C.W.S. (2d) 3 (F.C.T.D.).

Considering all of the above, and considering in particular that at all material times the marks CITI, CITIBANK, CITICAPITAL, and CITIFINANCIAL in the opponent's family of marks had acquired a significant reputation in Canada; that the applied for mark had not acquired any reputation; that the parties' services, while distinct, are connected and are the types of services that are used contemporaneously; that there is no admissible evidence of CITI prefixed third party marks in use in the marketplace, I find it likely, on a balance of probabilities, that the public will assume the applicant's commercial real estate services are approved, licensed, or sponsored by the opponent. It follows that the applied for mark CITI COMMERCIAL is

confusing with the opponent's marks CITI, CITIBANK, CITICAPITAL, and CITIFINANCIAL:
see *Glen-Warren Productions Ltd. v. Gertex Hosiery Ltd.* (1990), 29 C.P.R.(3d) 7 at 12
(F.C.T.D.).

APPLICATION NO. 1187778

Application no. 1187778 for the mark CITI RESIDENTIAL was filed on August 19, 2003. Application no. 1187778 is based on use in Canada since September 22, 2004 and is the sister application covering residential real estate services rather than commercial real estate services. The pleadings, issues, and evidence are essentially the same for both opposition proceedings and material dates differ only slightly. Thus, the considerations for determining the issue of confusion between the mark CITI RESIDENTIAL and the opponent's marks CITI, CITIBANK, CITICAPIT AL, and CITIFINANCIAL are essentially the same as those discussed in respect of application no. 1165031 for CITI COMMERCIAL, above, and the same conclusion follows. That is, I find it likely, on a balance of probabilities, that the public will assume the applicant's residential real estate services are approved, licensed, or sponsored by the opponent. It follows that the applied for mark CITI RESIDENTIAL is confusing with the opponent's marks

CITI, CITIBANK, CITICAPITAL, and CITIFINANCIAL.

DECISIONS

In view of the above, application nos. 1165031 and 1187778 are refused.

DATED AT VILLE DE GATINEAU, QUEBEC, THIS 20th DAY OF MARCH, 2007.

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Myer Herzig,
Member,
Trade-marks Opposition Board