

**IN THE MATTER OF AN OPPOSITION by
9017-7148 Quebec Inc. to Application No.
1036103 for the trade-mark CYBERLOGIC
filed by Cyberlogic Technologies, Inc.**

I The Pleadings

On November 15, 1999, Cyberlogic Technologies, Inc. (the “Applicant”), filed an application to register the trade-mark CYBERLOGIC (the “Mark”) based on use in Canada since November 1994 in association with:

Computer software, namely, industrial automation and manufacturing process control and connectivity software for monitoring, diagnostics, communications, controlling and reporting. (“Wares”)

The application was advertised on April 4, 2001, in the Trade-marks Journal for opposition purposes. 9017-7148 Quebec Inc. (the “Opponent”) filed on June 4, 2001 a statement of opposition raising the following grounds of opposition:

- 1) The application does not comply to the provisions of Section 30(i) of the *Trade-Marks Act* R.S.C. 1985, c. T-13, (the “Act”) as the Applicant’s statement that it is satisfied that it is entitled to use the Mark in Canada in association with the Wares, is false and erroneous as the Applicant had a good knowledge of the Opponent’s trade-marks and trade-names;
- 2) The Applicant is not the person entitled to the registration of the Mark pursuant to s. 16(1)(a), (b) and (c) of the Act because, as of the alleged date of first use of the Mark, it was confusing with:
 - i) The trade-mark CYBERLOGIC that had been previously used in Canada by the Opponent;
 - ii) the Opponent’s trade-mark CYBERLOGIC for which an application had been previously filed and was still pending when the present application was published in the Trade-marks Journal;
 - iii) the Opponent’s trade-names CYBERLOGIC and/or CYBERLOGIC LOGICIELS ET MULTIMÉDIA previously used in Canada by the Opponent;
- 3) The Mark is not distinctive of the Wares of the Applicant within the meaning of s. 2 of the Act as it is causing confusion with the Opponent’s trade-mark referred hereinabove.

Following an office action by the Registrar dated July 17, 2001, the Opponent amended on July 23, 2001 its statement of opposition to state, in the first ground of opposition, that the Opponent's trade-mark CYBERLOGIC was used in association with the services of retail store and repair of computer equipment, the sale of software, rental of computer systems and the services of conception, installation and maintenance of computer networks and websites ("Opponent's services"). The Opponent has also specified that the trade-mark application previously filed bears application number 1021385. The Applicant filed on September 4, 2001 a counter statement essentially denying each ground of opposition.

The Opponent filed the affidavit of Mr. Réjean Lajoie as its evidence while the Applicant filed the affidavit of Kemal Turedi. None of the affiants were cross-examined and the Opponent did not file any reply evidence. Both parties filed written submissions and were represented at an oral hearing.

II The evidence

I shall summarize the relevant evidence to the issues raised in this opposition proceeding, filed by both parties.

Mr. Lajoie is the Opponent's President. It was incorporated on March 17, 1995; exhibit P-1 being the certificate of incorporation.

He explains that he created the trade-mark CYBERLOGIC from the combination of two French words: "cybernétique" and "logique". He filed extracts of Le Petit Robert dictionary as exhibit P-2. The Opponent has been using the trade-mark CYBERLOGIC in association with the Opponent's services since February 13, 1995.

The Opponent's evidence of use of either CYBERLOGIC or CYBERLOGIC LOGICIELS ET MULTIMEDIA consists of the following documents filed as exhibit P-3:

- Declaration of registration dated February 10, 1995 for the trade-name CYBERLOGIC LOGICIELS ET MULTIMEDIA;
- Business declaration of the Opponent dated March 29, 1995 stating that it is carrying on business as CYBERLOGIC LOGICIELS ET MULTIMEDIA;

- Business cards and letterhead;
- Contracts, invoices or other documents sent to the Opponent in 1995, 1996, 1997, 1998, 1999, 2000 and 2001;
- Promotional material bearing the mark CYBERLOGIC;
- A price list dated December 1995 and another one for the year 2001;
- Newspaper articles without any circulation figures;
- Sample invoices for the years 1995, 1996, 1997, 1998,1999, 2000 and 2001. The oldest invoice goes back to May 1995;
- Cheques issued by the Opponent bearing the trade-name CYBERLOGIC for the same period (1995-2001).

The declaration of registration and the business declaration are administrative corporate documents that, by themselves, do not constitute evidence of use of the Opponent's trade-mark or trade-name.

He provides the Opponent's total sales for each year between 1995 and 2001. He files, as exhibit P-4, extracts of the Opponent's financial statements for all those years. He describes the Opponent's clientele as the public in general, educational and governmental institutions.

He files, as Exhibit P-6, CIDREQ reports to establish that there are many entities in the province of Quebec carrying on business under the trade-name CYBERLOGIC or having such word as part of their trade-name. However there is no evidence that these entities were in business at any relevant time and what type of business they are carrying.

Exhibit P-8 is the results of a search on the web that list the names of many entities using the word CYBERLOGIC either in their trade-name or domain name. We have no evidence that these entities were carrying business in Canada at any of the relevant dates.

Mr. Turedi is the Applicant's chairman and CEO. He states that the Opponent filed an application for the trade-mark CYBERLOGIC on July 7, 1999 having application number 1021385. In its application, the Opponent is alleging a date of first use of February 13, 1995 that is later than the alleged date of first use of

the Applicant in the present application. It is acknowledged by the parties that the Opponent's application has been declared abandoned but subsequently to the date of publication of the present application.

He alleges that the Applicant started using the Mark in Canada in association with the Wares before February 13, 1995. However, as it will appear hereinafter, the Opponent is arguing that there is no evidence in the record, beside a general allegation of use, that the Applicant used the Mark in Canada in association with the Wares prior to February 1995.

The Applicant, an American corporation, was incorporated in 1992 and changed its name to Cyberlogic Technologies, Inc on March 8, 1993. He files a copy of the Certificate of name change as Exhibit A. In 1993 the Applicant designed a real-time coprocessor circuit board, a sample having been filed as Exhibit B, which bears the Mark. He alleges that it was offered for sale in the United States and Canada in 1993. Exhibit C is a copy of an advertisement published in the October 1993 magazine "The Embedded Systems Programming" that apparently circulated in Canada. The ad refers to the Applicant's trade-name and not the Mark. In any event such ad does not constitute use of a trade-mark in association with wares as defined in s. 4(1) of the Act.

He provides, in paragraph 8 of his affidavit, a list of softwares sold in association with the Mark prior to February 13, 1995 without any evidence of sales in Canada of those wares. Exhibit D consists of samples of floppy disks containing the software programs. Each diskette filed bears the Mark. He states that the Applicant sold the Wares to Schneider Automation, located in Massachusetts, U.S.A. that in turns distributed them in Canada. A license agreement with such entity was concluded in August 1995. He provides a list of Schneider Automation's distributors in Canada as Exhibit F, but such list is dated March 7, 2003. There is no documentary evidence of sales in Canada of the Wares by either the Applicant or Schneider Automation.

III The relevant dates

The material time for considering the different grounds of opposition will vary from one ground of opposition to another. Compliance to the provisions of s. 30 of the Act must be assessed as of the filing date of the application. [See *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R.(3d) 469].

Entitlement to the registration of the Mark must be assessed as of the alleged date of first use of the application as per the provisions of s. 16(1) of the Act. Finally, it is generally accepted that the issue of distinctiveness of the applied mark will be decided as of the filing date of the statement of opposition (June 4, 2001). [See *Metro-Goldwyn-Meyer Inc v. Stargate Connections Inc* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)]

IV Motion to amend the statement of opposition

The Opponent made a motion to amend its statement of opposition to allege that the Applicant did not use the Mark in Canada as of the claimed date of first use (s.30 (b) of the Act). To support its position, the Opponent relied on the content of its written arguments where it did argue that there is no evidence of use of the Mark in Canada by the Applicant as of the claimed date of first use. The purpose of the amendment was to permit the Opponent to raise such ground of opposition not pleaded in its original statement of opposition. I refused the amendment and briefly gave, at the hearing, the reasons for my decision. I shall now explain in details why I came to such ruling.

The application to amend was made at the hearing. I am fully aware that amendments can be made at any stage of an opposition proceeding, including during the hearing. However, the jurisprudence has established certain criteria that must be taken into consideration. I refer to the decision of Mr Troicuk, in *Alcantara S.p.A. v. Carsilco International Ltd.* (1986) 10 C.I.P.R. 27 (T.M.O.B.) where he stated:

“The policy of the Trade Marks Opposition Board is to grant leave to amend a statement of opposition where it is satisfied that it is in the interests of justice to do so having regard to all the surrounding circumstances including (i) the stage the opposition proceeding has reached, (ii) whether the request for leave to amend could have been made at an earlier stage (iii) the importance of the proposed amendment to the opponent and (iv) the extent to which the applicant would be prejudiced if leave was granted.”

The Applicant’s evidence was filed three years ago. The Opponent filed its written arguments almost two years ago. The Opponent did not explain why it did not file its request to amend its statement of opposition at an earlier time. The Applicant would be prejudiced if leave was granted at this late stage. Therefore I have no other alternative but to refuse the Opponent’s request.

V Analysis of the various grounds of opposition

The Opponent has an initial onus, which means that, in order for an issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support a ground of opposition exist. [See *Redsand Inc. v. Dylex Ltd.* (1997), 74 C.P.R. (3d) 373 (F.C.T.D.) and *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.)]

The Opponent, cleverly, tried to argue that the Applicant's statement that it is satisfied that it is entitled to use the Mark in Canada in association with the Wares since the date of first use alleged in the application is false and erroneous as the evidence it filed shows that it never used the Mark in Canada as of the claimed date of first use. This position is a disguise way of arguing the ground of opposition under s. 30(b), which has not been pleaded. Moreover the Opponent specified in its first ground of opposition that the Applicant's aforesaid statement was false because the latter had a good knowledge of the Opponent's trade-marks and trade-names. There is no evidence to support such contention and therefore the Opponent did not meet its initial onus with respect to this ground of opposition. Thus, the first ground of opposition is dismissed.

The Opponent was incorporated after the claimed date of first use alleged in the Applicant's application. The Opponent has not filed any evidence of prior use, as of the claimed date of first use in the Applicant's application, of its trade-name or trade-mark. Finally, the Opponent is not relying on any predecessor-in-title rights in the trade-mark CYBERLOGIC. Therefore grounds of opposition described in sub-paragraphs 2i) and iii) above are dismissed for failure by the Opponent to meet its initial onus.

I will now turn to the distinctiveness issue. There is an initial evidential burden on the Opponent to establish the facts relied upon in support of this ground of opposition. Once this burden is met, the legal onus is on the Applicant to show that the Mark is adapted to distinguish or actually distinguishes its wares from those of others throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272 (T.M.O.B.)].

The Opponent's evidence of use of the trade-mark CYBERLOGIC described above is sufficient to meet its initial onus and as such the Applicant has the burden to prove that the Mark was distinctive as of the relevant date (June 4, 2001).

The Applicant argued that the Opponent's evidence of use of its trade-mark CYBERLOGIC is confined to the Montreal area or, at best, the province of Quebec. Moreover it alleged that the Opponent would not be entitled to claim that the Mark is non-distinctive as a result of a later use of its trade-mark. I can dispose of both arguments, without determining if the Applicant has established use of the Mark in Canada within the meaning of s. 4(1) of the Act, by referring to the following quote from *Muffin Houses Inc., supra* :

“Applying the general test that to be distinctive a trade mark must either be adapted to distinguish or actually distinguish the trade mark owner's wares or services in all parts of Canada, I conclude that, since at the material dates the applicant's trade marks neither were adapted to distinguish nor actually distinguished the applicant's wares in the Toronto area, the applicant's trade marks are not distinctive for the purposes of s. 37(2)(d). In my opinion, this is the only logical approach that can be taken in this situation. Otherwise, whenever an opponent raises a ground of opposition that the applicant's trade mark is not distinctive because of the concurrent use in Canada of a confusing trade mark by another, if there is even one area in Canada where there has not been such concurrent use it would be necessary to reject the opposition on the basis that the applicant's trade mark is distinctive because it is either adapted to distinguish or actually distinguishes the applicant's wares or services in that one area.

In its written arguments, the applicant submitted that it would be unjust to allow the opponent to prevent the applicant from obtaining a registration to which it is entitled merely on the basis of the opponent's own illegitimate use of the applicant's trade mark for a period during which the applicant was attempting to secure registration. I do not accept this submission. There is nothing in the evidence to suggest that the opponent's use of its trade marks was in any way improper or that it acted other than in good faith in adopting its trade marks. On March 15, 1980, when the opponent first started using its trade marks, it had been almost six years since the applicant or its predecessor in title had carried on business in Toronto under the name The Muffin House Bakery and thus any reputation which may have existed in that name in the Toronto area and the common law rights which would have flowed therefrom would likely have long since become extinguished. Further, as of that date, neither of the applicant's applications had been filed and accordingly it would appear that the opponent would have had no reason for even suspecting that the applicant had any interest in using the trade marks THE MUFFIN HOUSE and THE MUFFIN HOUSE & Design in the Toronto area or in seeking registration for those trade marks. In view of the above, I consider that it would be unfair to prevent the opponent from relying on its use of the trade marks MUFFIN HOUSE & Design and MAISON MUFFIN & Design in support of its allegations that the applicant's trade marks are not distinctive.”

The Opponent is arguing that the Mark cannot be distinctive of the Applicant's Wares as it is confusing with the Opponent's trade-mark and trade-name. The likelihood of confusion must be determined in light of the test set out in s. 6(2) of the Act. Section 6(5) of the Act contains a list the surrounding circumstances to be taken into consideration. However, such list is not exhaustive.

The Mark is inherently distinctive, being a coined word. The Opponent has established use in Canada of its trade-mark CYBERLOGIC since at least May 1995 and as such its trade-mark is known to some extent in the Montreal area. The Applicant has not established any use of the Mark in Canada, within the meaning of s. 4(1) of the Act, prior to the relevant date. There is no evidence that there has been a transfer of property in Canada of Wares from the Applicant to a third party or that Wares sold by the Applicant to its distributor have been resold in Canada prior to the relevant date. The Opponent objected, as being hearsay evidence, to the allegation made by Mr Turedi in his affidavit that Wares sold to its distributor Schneider Automation were in turn sold by it in Canada. The objection is well founded. Moreover even if I erred in maintaining the objection, this allegation by itself is insufficient to conclude that the Mark has been used in Canada in association with the Wares within the meaning of s. 4(1) of the Act without any supporting documentation. The nature of the Wares and the Opponent's services lead me to conclude that there is a potential overlap in the nature of the parties' businesses and trade. Finally, the Mark is identical to the Opponent's trade-mark CYBERLOGIC.

The analysis of these surrounding circumstances favours the Opponent. The Applicant has not discharged its burden to prove on a balance of probabilities that, as of June 4, 2001, the Mark was distinctive, as there exists a likelihood of confusion between the Mark and the Opponent's trade-mark CYBERLOGIC. Therefore the third ground of opposition is maintained.

In view of the favourable result for the Opponent with respect to its third ground of opposition, it is not necessary to rule on the ground of opposition described in sub-paragraph 2 ii) above.

V Conclusion

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

DATED, IN MONTREAL, QUEBEC, THIS 7th DAY OF APRIL 2006.

Jean Carrière,
Member of the Trade-marks Opposition Board