

TRADUCTION/TRANSLATION

IN THE MATTER OF AN OPPOSITION by CFER TECHNOLOGIES INC. to Application Serial No. 838176 for the registration of certification mark CFER filed by RÉSEAU QUÉBÉCOIS DES CFER.

On March 3, 1997, Réseau Québécois des CFER (the Applicant) filed application No. 838176 for the registration of the trade-mark CFER (hereinafter “the Trade-Mark”), used in Canada since at least as early as March 16, 1990, in association with the following services:

Operation of a business training centre and waste recycling (“the Services.”)

The application for registration was published in the *Trade-marks Journal* on June 3, 1998. On November 8, 1998, CFER Technologies Inc. (“the Opponent”) filed a statement of opposition in which the following grounds were invoked:

- (a) under subsection 38(2) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (“the Act”), the Applicant is not the person entitled to the registration of the Trade-Mark in Canada in view of the provisions of paragraph 16(1)(a) of the Act, since the Trade-Mark, on the date the application for registration was filed, was confusing with the trade-mark CFER, which was previously used in Canada by the Opponent’s [predecessor in title] since at least as early as 1984 in association with research and development and engineering services, namely in the energy, manufacturing and transportation industries;
- (b) under subsection 38(2) of the Act, the Applicant is not the person entitled to the registration of the Trade-Mark in Canada in view of the provisions of paragraph 16(1)(a) of the Act, since the Trade-Mark, on the date the application for registration was filed, was confusing with the trade-name CFER previously used in

Canada by the Opponent's [predecessor in title] since as early as 1984 in association with research and development and engineering services, namely in the energy, manufacturing and transportation industries;

- (c) under subsection 38(2) of the Act, the Trade-Mark is not distinctive because it cannot truly distinguish, nor is it adapted to distinguish, the Services of the Applicant from the services of the Opponent and the Opponent's [predecessor in title.]

The Applicant filed a counter-statement that essentially denies the allegations contained in the Opponent's statement of opposition. The Opponent filed the affidavit of Mr. Pat Jamieson and the Applicant filed the affidavit of Mr. Normand Maurice. Only the Applicant filed written submissions. Neither party requested a hearing.

Mr. Jamieson is the President of the Opponent. He alleges that an entity called the Centre for Frontier Engineering Research Institute ("the Centre") was incorporated on November 7, 1983. No documentary evidence was tendered in this regard. Mr. Jamieson alleges that the entity used the acronym CFER since that date as a trade-mark and trade-name in the course of its business. I will comment on this affirmation when I assess the evidence in the record having regard to the criteria set out in section 6(5) of the Act.

The services offered by the Centre consisted of research and development in connection with the creation of equipment and the construction of installations for exploring natural resources in the North and overseas. The Centre's main clients were the Government of Canada, the Government of Alberta, academic institutions, and the oil, steel and engineering industries. Over the years, the Centre's fields of activity expanded to encompass certain aspects of oil production, pipelines, shipping, software and the nuclear industry.

On July 1, 1995, the Centre changed its name to Centre for Engineering Research Inc. ("Engineering."). The certificate of amendment was produced as Exhibit A to its

affidavit. On December 19, 1997, Engineering assigned its assets to the Opponent, including the rights to the trade-mark and trade-name C-FER. As the Applicant emphasized, it should be noted that there is no documentary evidence on the subject.

The affiant produced, as Exhibits C through N, a copy of the Centre's annual reports for the years 1983 through 1995. I note that the Centre used C-FER, not CFER, in these documents. Indeed, there is a hyphen between the letter C and the other letters of the acronym. This separation also appears when the Centre uses a graphic. Specifically, in one illustration, the letter C is in a larger format than the other letters that make up the acronym, and in another, an inverted triangle is employed to separate that letter from the others.

Promotional letters entitled "Frontiers" were produced as Exhibits O, Q and R. The letters contain the acronym in the same forms described above. Exhibits S and T are documents entitled "Exploration and Production Technology-Selected Projects" and "Assessment of the Risk of Oil Spills from Offshore Drilling" respectively. These documents contain the acronym in the same forms described above.

Exhibits U, V, W and Z are brochures of the Opponent. Interestingly, the Opponent is identified in these documents by the designation C-FER Technologies Inc. The trade-mark C-FER is found in the text of these documents. Lastly, the affiant produced pages from the Recyc-Québec website as Exhibits Y and Z. The affiant alleges that, as far as it knows, Recyc-Québec appears to be the Applicant in this matter. However, there is no evidence that the Applicant and Recyc-Québec are the same legal entity. On the contrary, it appears from the evidence tendered by the Applicant that Recyc-Québec is an organization that supports the Applicant's projects.

The evidence tendered by the Opponent shows that the trade-mark and acronym C-FER are used mainly in Alberta. In fact, the Opponent's research centre is located in Edmonton, Alberta.

Normand Maurice has been the Applicant's Chief Executive Officer since 1996. He claims to have developed the acronym CFER in 1990 as a result of the establishment of the Centre de Formation en Entreprise et Récupération in Victoriaville, Quebec. The Applicant was incorporated on January 12, 1996; a copy of the certificate of incorporation was produced as Exhibit P-1. Various documents constituting Exhibit P-2 were tendered to prove that the Trade-Mark has been used in association with the Services. Based on this documentary evidence, the Applicant will grant the certification mark to a business training centre if that centre has complied with the standards established by the Applicant. There are 18 CFER centres in Quebec. The centres' target client base consists of school dropouts who are at least 16 years of age. Each centre is a non-profit corporation created by a school board or reception centre. The overall objective of these centres is to train people to become independent, committed citizens and productive workers. Each centre uses the theme of recycling to achieve this objective. By way of example, there are centres specialized in the recycling of paint, glass, paper, furniture, computers and wood. Several municipalities, school boards and businesses participate in the recycling programs at the centres located in their area, including Domtar, Groupe Cascades, Consumer Packaging, Hydro-Québec, Éco-Peinture, Sico, Magasins COOP, Bell Canada and Recyc-Québec. The various centres resell the recovered or recycled products.

The financial statements of Centre de formation en entreprise et de récupération Inc. for the fiscal year ending March 31, 1999, were produced as Exhibit P-3. The affiant deposes that these centres together provided more than \$5,000,000 worth of services in association with the Trade-Mark. The results of a search using the CIDREQ database of the Inspecteur général des institutions financières was produced as Exhibit P-4. This report contains corporate information regarding each of the CFER centres. A list of centres that use the Trade-Mark was produced as Exhibit P-5. They are all located in Quebec.

Exhibit P-6 is a Dialog search requested by lawyer Philippe Leclercq and performed on April 6, 2000, in order to identify trade-marks containing the word CFER. I will accord

little probative value to this evidence because there is no explanation of the search terms employed or the methodology that the Dialog software uses.

Thus, having regard to the following principles, I must assess the evidence that the parties have filed:

(a) The burden of proof is on the Applicant to satisfy the Registrar that there is no reasonable likelihood of confusion, within the meaning of section 2 of the Act, between the parties' trade-marks or trade-names on the material dates set out below [see *Sunshine Biscuits Inc. v. Corporate Foods Ltd. (1982)*, *61 C.P.R. (2d) 53*].

(b) As stated in the following excerpt from *Dion Neckware Ltd. v. Christian Dior, S.A.*, [2002] 3 F.C. 405,

The Registrar must be reasonably satisfied that, on a balance of probabilities, the registration is unlikely to create confusion; he need not be satisfied beyond doubt that confusion is unlikely. The "beyond doubt" standard imposes an insurmountable burden because certainty in matters of likelihood of confusion is rare. At best, it is only where the probabilities are equal that a form of doubt may be said to arise, which is resolved in favour of the opponent. A registrar should avoid resorting to the concept of doubt, which is treacherous and confusing in civil proceedings.

To determine whether there is a reasonable likelihood that the use of the Trade-Mark will be confusing with the Opponent's trade-mark and trade-name as identified in its statement of opposition, I must follow the approach prescribed by section 6 of the Act, which reads as follows:

6. (1) For the purposes of this Act, a trade-mark or trade-name is confusing with another trade-mark or trade-name if the use of the first mentioned trade-mark or trade-name would cause confusion with the last mentioned trade-mark or trade-name in the manner and circumstances described in this section.

(2) 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, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

(3) The use of a trade-mark causes confusion with a trade-name if the use of both the trade-mark and trade-name in the same area would be likely to lead to the inference that the wares or services associated with the trade-mark and those associated with the business carried on under the trade-name are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

(4) The use of a trade-name causes confusion with a trade-mark if the use of both the trade-name and trade-mark in the same area would be likely to lead to the inference that the wares or services associated with the business carried on under the trade-name and those associated with the trade-mark are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

(5) In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including

- (a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;
- (b) the length of time the trade-marks or trade-names have been in use;
- (c) the nature of the wares, services or business;
- (d) the nature of the trade; and
- (e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

It is clearly settled that the list of circumstances set out in section 6(5) is not exhaustive, and that it is not necessary to give equal weight to each of the criteria [for example, see *Clorox Co. v. Sears Canada Inc. (1992)*, 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon (1996)*, 66 C.P.R. (3d) 308 (F.C.T.D.)].

The material date for assessing the different grounds of opposition varies depending on the specific ground of opposition involved. Where the opposition is based on subsections 16(1) and 16(3) of the Act, the date of first use alleged in the Applicant's application for registration is the reference date, as stated in section 16 of the Act (March 16, 1990). The material date for the ground of opposition based on the

Trade-Mark's lack of distinctiveness is generally recognized as the date on which the opposition is filed (November 3, 1998) [see *Andres Wines Ltd. and E. & J. Gallo Winery (1975)*, 25 C.P.R. (2d) 126 (F.C.A.) at 130 and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991)*, 37 C.P.R. (3d) 413 (F.C.A.)].

- the inherent distinctiveness of the trade-marks

The Opponent's [predecessor in title] was using the trade-mark CFER on March 16, 1990. Based on the evidence in the record, and contrary to an allegation made in the statement of opposition, that entity was not using the trade-mark or trade-name CFER, but rather, C-FER. By reason of their use by the Opponent's [predecessor in title] from 1984 to March 16, 1990, this trade-mark and trade-name possessed on that date a certain degree of inherent distinctiveness in the province of Alberta. I come to the same conclusion when I consider the evidence having regard to the material date for assessing the third ground of opposition. Indeed, nothing in the record permits me to conclude that the Opponent, or its [predecessor in title], used the trade-mark CFER from March 16, 1990, to November 3, 1998.

In its written submissions, the Applicant argues that there is no evidence that the Opponent or its predecessor in title have used the trade-mark C-FER within the meaning of the Act. The basis for this argument is that the trade-mark was not used in a commercial context, since the research services of the Opponent or its [predecessor in title] were offered to their financial partners. I cannot subscribe to this argument because the financial statements in the record show income, on the balance sheet, from services provided by the Opponent. Thus, even if the services were provided to financial partners, the trade-mark C-FER has been used in association with trade of the nature described in Mr. Jamieson's affidavit, provided consideration was paid — and the financial statements appear to confirm this.

As for the Applicant's Trade-Mark, it is a weak one, as it consists of the acronym for Centre de Formation en Entreprise et Récupération. [in this regard, see *Information Technology Association of Canada v. Siemens Aktiengesellschaft (1996)*, 67 C.P.R. (3d) 71.]

- time in use

This factor favours the Opponent regardless of the ground of opposition described above. The use of the trade-mark or trade-name C-FER by the Opponent or its [predecessor in title] began in 1984, while the Applicant's use of the Trade-Mark began on March 16, 1990.

- nature of services

The services offered by the Opponent and its [predecessor in title] during the material periods consist of research that is primarily performed for stakeholders in the oil industry. The certification mark is used in association with business training and waste recovery services. There is no interrelationship between the parties' services.

-nature of the trade

The Opponent's activities consist of scientific research for profit-making purposes, while the Applicant's activities are pedagogical in nature. Thus, there is no overlap in the nature of the parties' trades.

- degree of resemblance

The Trade-Mark is unquestionably visually similar to the C-FER trade-mark. The situation is completely different when it is compared with the graphic used by the

Opponent or its [predecessor in title.] There is no evidence in the record showing that there is a phonetic difference between the trade-marks in issue.

When a trade-mark is an easily identifiable acronym, it benefits from a narrower ambit of protection [see *Information Technology Association of Canada, infra*]. In determining whether there is a reasonable likelihood of confusion between trade-marks that are almost the same — I use this expression to take account of the separation of the letter C from the remaining letters in the use of the trade-mark C-FER by the Opponent or its [predecessor in title] — the nature of the services offered in association with the trade-marks in issue and the nature of the parties' trades become very important factors [see *A. Lassonde & Fils Inc. v. Imperial Tobacco Ltd. (1987), 17 C.P.R. (3d) 8.*]

Applying these principles to the present case, and regardless of the material date used, I find that the Applicant has met the evidential burden it must meet in order to have its trade-mark registered. Given the difference between the nature of the parties' services and trades, an average consumer with an imperfect recollection is not at risk of confusing the source of the services offered by the Applicant with the source of the services offered by the Opponent in association with its trade-mark C-FER or its trade-name C FER.

By virtue of the powers delegated to me by the Registrar of Trade-Marks under section 63(3) of the Act, I dismiss the Opponent's opposition and allow the Applicant's application for the registration of the certification mark CFER in association with the Services, the whole in accordance with section 38(8) of the Act.

MONTRÉAL, QUEBEC, THIS 8TH DAY OF AUGUST 2003.

Jean Carrière
Member of the Opposition Board