



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

**Citation: 2011 TMOB 150**  
**Date of Decision: 2011-08-25**

**IN THE MATTER OF AN OPPOSITION  
by The Descartes Systems Group Inc. to  
application No. 1,320,525 for the trade-  
mark DECARTA in the name of deCarta  
Inc.**

[1] On October 17, 2006, deCarta Inc. (the Applicant) filed an application to register the trade-mark DECARTA (the Mark) based upon use of the Mark in Canada since at least October 17, 2006. The application claims a convention priority filing date of June 22, 2006.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of August 8, 2007.

[3] When advertised, the application's statement of wares and services read:

wares:

Computer hardware and peripherals and manuals supplied therewith;  
Computer software and software development tools for use in creating other software applications; Computer software, namely software for use in building location enabled applications for the creation, transfer, use and storage of geospatial data and information via global computer communications networks, the Internet, and among and between wireless mobile devices, to enable telematics and personal navigation, for GIS markets and for use in generating geocodes, providing maps, routes, and general navigational information, and to perform spatial searches and other geospatial functions, and manuals supplied therewith.

services:

Computer software design and development services for others;  
Computer consulting services; computer programming services;  
Computer services, namely, providing application service provider (ASP) services and non-downloadable software for use in building location enabled applications for the creation, transfer, use and storage of geospatial data and information via global computer communications networks, the Internet, and among and between wireless mobile devices, to enable telematics and personal navigation, for GIS markets, and for use in generating geocodes, providing maps, routes, and general navigational information, and to perform spatial searches and other geospatial functions.

[4] On January 8, 2008, The Descartes Systems Group Inc. (the Opponent) filed a statement of opposition. The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

[5] The Opponent elected not to file any evidence in support of its opposition.

[6] In support of its application, the Applicant filed the affidavit of Richard Poppen. The Opponent did not cross-examine Mr. Poppen on his affidavit.

[7] Only the Applicant filed a written argument. An oral hearing was not held.

#### Summary of Grounds of Opposition and Applicable Material Dates

[8] The grounds of opposition pleaded by the Opponent pursuant to the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) are summarized below:

- i. Section 38(2)(a): The application does not conform to the requirements of s. 30(i) because the Applicant could not have been satisfied that it is entitled to use the Mark in Canada in association with the wares and services described in the application since at the date of filing of the application the Applicant was or should have been aware of the Opponent's trade-name DESCARTES and its trade-marks DESCARTES and DESCARTES & Design, with which the Mark is confusing, all of which had been previously extensively used in Canada by the Opponent and the latter two of which had already been registered as trade-marks in Canada;
- ii. Section 38(2)(b): The Mark is not registrable because contrary to s. 12(1)(d), the Mark is confusing with two trade-marks registered by the Opponent, namely DESCARTES registration No. TMA517,105 and DESCARTES & Design

registration No. TMA525,022;

- iii. Section 38(2)(c): The Applicant is not the person entitled to register the Mark because contrary to s. 16(1)(a) and (c), at the date of first use alleged by the Applicant, the Mark was confusing with the Opponent's previously used trade-name and trade-mark DESCARTES;
- iv. Section 38(2)(d): Contrary to s. 2, the Mark is not distinctive because it does not actually distinguish the wares and services of the Applicant from the wares and services of others, including those of the Opponent.

[9] The Opponent's DESCARTES & Design mark is reproduced below:



[10] The material dates with respect to the grounds of opposition are as follows:

- s. 30 - the filing date of the application [*Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475];
- s. 12(1)(d) - the date of my decision [*Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks* (1991), 37 C.P.R. (3d) 413 (F.C.A.)];
- s. 16(1) - the Applicant's claimed date of first use;
- s. 2 - the date of filing of the opposition [*Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

## Onus

[11] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].

[12] As the Opponent has not filed any evidence, it has not met its initial burden with respect to its s. 38(2)(a)/s. 30(i), s. 38(2)(c)/s. 16(1) and s. 38(2)(d)/s. 2 grounds of opposition. The first, third and fourth grounds of opposition are accordingly dismissed.

[13] However, an opponent need not file evidence in order to meet its initial burden with respect to a s. 38(2)(b)/s. 12(1)(d) ground of opposition. Such burden is met if the pleaded registration is extant and, having regard to the potential public interest in assessing such a ground of opposition, the Registrar will exercise his discretion to check the Trade-marks Office records to confirm the existence of a pleaded registration [see *Quaker Oats of Canada Ltd./La Compagnie Quaker Oats du Canada Ltée v. Menu Foods Ltd.* (1986), 11 C.P.R. (3d) 410 (T.M.O.B.)]. I have exercised the Registrar's discretion and confirmed that registration Nos. TMA517,105 and TMA525,022 are extant. Accordingly, the Opponent's initial burden has been met with respect to the second ground of opposition.

## Likelihood of Confusion

[14] The issue to be decided under the second ground of opposition is whether the Mark is confusing with either of the Opponent's marks DESCARTES or DESCARTES & Design.

[15] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that 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.

[16] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has 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 in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.) and *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 C.P.R. (4th) 361 (S.C.C.).]

[17] As the DESCARTES mark is more similar to the Mark than is the DESCARTES & Design mark, I will first focus on the likelihood of confusion between DECARTA and DESCARTES.

*6(5)(a) - the inherent distinctiveness of the trade-marks and the extent to which they have become known*

[18] Both marks are inherently distinctive.

[19] Only the Applicant has provided evidence of the extent to which its trade-mark has become known. Mr. Poppen, the Applicant's Chief Technology Officer, attests that the Applicant's licensing of its software in Canada has generated the following revenues: 2006 – over \$150,000; 2007 – over \$275,000; 2008 – over \$250,000; 2009 (January to July) – over \$135,000. The Applicant has also advertised its wares and services in association with its Mark through various media such as its own website, trade publications, promotional events, and direct e-mail and postal mail in Canada, but it does not track its Canadian marketing expenditures separately from its North American expenditures.

[20] As the Opponent has not provided any evidence of its use or promotion of its mark, overall s. 6(5)(a) favours the Applicant.

*6(5)(b) - the length of time each mark has been in use*

[21] The Opponent's registration claims that it has used DESCARTES in Canada since at least as early as 1982 for its services and 1992 for its wares. Although I accept that the Opponent's

date of first use predates that of the Applicant, I do not consider this factor to be of great significance since there is no evidence that the Opponent's use has been continuous since its claimed dates [see *Entre Computer Centers, Inc. v. Global Upholstery Co.* (1991), 40 C.P.R. (3d) 427 (T.M.O.B.)].

*6(5)(c) and (d) - the nature of the wares, services, business and trade*

[22] When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties' trade-mark application or registration that govern in respect of the issue of confusion arising under s. 12(1)(d) [see *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (F.C.A.); *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe Inc. v. Bohna* (1994), 58 C.P.R. (3d) 381 (F.C.A.)]. However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful, particularly where there is an ambiguity as to the wares or services covered in the application or registration at issue [see *McDonald's Corp. v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R. (3d) 168 (F.C.A.); *Procter & Gamble Inc. v. Hunter Packaging Ltd.* (1999), 2 C.P.R. (4th) 266 (T.M.O.B.); *American Optical Corp. v. Alcon Pharmaceuticals Ltd.* (2000), 5 C.P.R. (4th) 110 (T.M.O.B.)].

[23] DESCARTES is registered for the following wares and services:

wares:

Supply chain computer software, namely software applications and information systems designed to facilitate complex order management, customer service and route distribution requirements.

services:

Configuration, customization, integration, consulting, training and support relating to the development, installation and on-going maintenance of supply chain computer software, namely, software applications and information systems designed to facilitate complex order management, customer service and route distribution requirements.

[24] Both parties sell computer software and related services, but the purpose of the software may be sufficient to distinguish one software product from another [see *Unisys Corp. v.*

*Northwood Technologies Inc.* (2002), 29 C.P.R. (4th) 115 (T.M.O.B.)). It is clear from the statement of wares and services in the Opponent's registration that its wares and services are for the purposes of supply chain management. Supply chain management is not the purpose of the Applicant's wares and services. Mr. Poppen has explained that the Applicant provides GPS-based solutions. Specifically, DECARTA software can be used to render maps, convert addresses into longitude and latitude coordinates (and vice versa), compute optimal routes and guide a traveler along a route, search and retrieve points of interest along a route, and store and retrieve data for placement on a map.

[25] The Applicant typically does not sell its software outright but rather licenses it for use by software applications developers for use in their consumer-facing applications. Customers have included Yahoo and Google, for use in their mapping applications. DECARTA software is not sold at the retail level and is not sold to individuals; its customers are typically large sophisticated businesses that are themselves developers of applications that deliver services to businesses. The Applicant's sales process typically takes at least 3 months and includes demonstrations, meetings, on-site visits and the negotiation of a written license agreement.

[26] Mr. Poppen has provided as Exhibit "H" a copy of pages printed from the Opponent's website on September 3, 2009. These pages state that "Descartes' logistics management solutions combine a multi-model logistics network, the Descartes Global Logistics Network, with business applications to streamline the entire shipment management process" and support all modes of transportation and trading partners, such as air carriers, ocean carriers and freight forwarders. These statements are in conformity with the Opponent's registered wares and services.

[27] Overall, there are notable differences between the nature or purpose of the parties' specific wares and services, as well as between their target clientele.

*6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them*

[28] Visually, the marks are somewhat similar. When sounded, the differences between the marks increase.

[29] The Applicant points out that the Opponent's mark is a surname and may suggest the mathematician and philosopher, Rene Descartes. The Applicant's affiant points out that its Mark comprises "carta" which is the Latin word for "map". It is possible that these might be the ideas suggested by the respective marks. If they are, then the ideas suggested by each mark are completely different.

*conclusion re s. 12(1)(d) ground based on registration No. TMA517,105*

[30] Having considered all of the surrounding circumstances, I find that the Applicant has met its legal burden. Although there are similarities between the marks, the Applicant's mark has acquired some distinctiveness through use and the differences between the parties' wares/services and target clientele appear sufficient to make confusion not likely.

[31] The s. 12(1)(d) ground of opposition therefore does not succeed based on registration No. TMA517,105.

*conclusion re s. 12(1)(d) ground based on registration No. TMA525,022*

[32] The Opponent's DESCARTES & Design mark is registered for the following wares and services:

wares:

(1) Supply chain computer software, namely software applications and information systems designed to facilitate complex order management, customer service and route distribution requirements in the fields of transportation.

(2) Supply chain computer software, namely software applications and information systems designed to facilitate complex order management, customer service and route distribution requirements in the field of field service, namely routing and scheduling of people in service industries.

(3) Supply chain computer software, namely software applications and information systems designed to facilitate complex order management, customer service and route distribution requirements in the field of high technology.

(4) Supply chain computer software, namely software applications and information systems designed to facilitate complex order management, customer service and route distribution requirements in the field of consumer packaged goods.

services:

(1) Configuration, customization, integration, consulting, training and support relating to the development, installation and on-going maintenance of supply chain computer software, namely, software applications and information systems designed to facilitate complex order management, customer service and route distribution requirements.

[33] The Opponent's position is not any stronger based on its registration for DESCARTES & Design than it is based on its registration for DESCARTES. In fact, the design only serves to increase the differences between the marks. Therefore, for reasons similar to those set out with respect to registration No. TMA517,105, the s. 12(1)(d) ground of opposition does not succeed based on registration No. TMA525,022,

Disposition

[34] Pursuant to the authority delegated to me under s. 63(3) of the Act, I reject the opposition pursuant to s. 38(8) of the Act.

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Jill W. Bradbury  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office