

IN THE MATTER OF AN OPPOSITION by A.C. Nielson Company to
application No. 859,741 for the trade-mark MARKETRAX filed by
Jewelstone Systems Inc.

On October 27, 1997, the applicant, Jewelstone Systems Inc., filed an application to register the trade-mark MARKETRAX based on use in Canada since at least as early as September, 1997. The application covers the following wares: “software providing an investment funds sales and marketing tracking system”. The application was advertised for opposition purposes on April 29, 1998.

The opponent, A.C. Nielson Company, filed a statement of opposition on June 29, 1998. In its statement of opposition, the opponent states that it is the owner of the trade-mark MARKET TRACK, Registration No. TMA373,464, which it has used in association with marketing research services since at least as early as June, 1986. The first ground of opposition is based on s.12(1)(d) of the *Trade-Marks Act*, R.S.C. 1985, c.T-13 (hereinafter “the *Act*”), the opponent submitting that the applied for trade-mark is confusing with the opponent’s registered mark MARKET TRACK. As its second ground, the opponent argues that the applicant is not the person entitled to registration of the trade-mark MARKETRAX pursuant to s.16 of the *Act*. The third and final ground of opposition is that the applied for mark MARKETRAX is not distinctive pursuant to s.38(2)(d) of the *Act*.

The applicant filed and served a counter statement on August 12, 1998, in which it generally denied the allegations asserted by the opponent in its statement of opposition. As its evidence, the applicant submitted the affidavit of Derek Nelson, Vice-President of the ACNielsen Company of Canada, and a certified copy of Registration No. 373,464 for the trade-mark MARKET TRACK. The affidavit of Robert P. Massaar, President of Jewelstone Systems, Inc. was submitted as the applicant’s evidence. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

The main issue in this proceeding is whether the applicant’s trade-mark is confusing with the opponent’s trade-mark. With respect to the issues of non-entitlement, non-distinctiveness and non-registrability, the material times for considering the issue of confusion are, respectively, the claimed date of first use (*i.e.* September, 1997); the date of opposition (*i.e.* June 29, 1998) and the date of my decision. In the circumstances of this case, nothing turns on which material date is chosen to assess the issue of confusion.

With respect to the first ground of opposition, the onus or legal burden is on the applicant

to show no reasonable likelihood of confusion between the marks at issue. 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. Molson Companies Ltd.** (1990) 30 C.P.R.(3d) 293 at 297-298 (F.C.T.D.). In applying the test for confusion set forth in Section 6(2) of the *Act*, consideration is to be given to all of the surrounding circumstances including the following specifically set forth in s.6(5) of the *Act*: a) the inherent distinctiveness of the trade-marks and the extent to which the trade-marks have become known; b) the length of time the trade-marks 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 in appearance or sound or in the ideas suggested by them. I will review the evidence in light of these criteria and any other surrounding circumstances.

As for s.6(5)(a) of the *Act*, neither of the parties' marks are inherently strong as both marks are suggestive of the types of wares and services that are being offered. The opponent's mark possesses a higher degree of acquired distinctiveness than the applicant's mark, however, as the opponent's evidence shows that for each of the last five years before the date of Mr. Nelson's affidavit (March 25, 1999), the opponent had earned in excess of \$10 million in revenue in connection with its MARKET TRACK marketing research services in Canada while the applicant's annual sales figures for its MARKETRAX product were \$9,000 in 1997 and \$23,500 in 1998. I therefore conclude that the opponent's mark has become well known across Canada while the applicant's mark has only become known to a limited extent.

With respect to s.6(5)(b) of the *Act*, although the opponent's registration is based on use in Canada since at least as early as June 1986, Mr. Nelson's evidence, in my view, does not corroborate this claim. In any event, I am satisfied that the opponent's evidence shows use of the mark since at least 1994. As the applicant's mark has only been in use since September, 1997, this factor favours the opponent.

As for the wares, services and trades of the parties (Sections 6(5)(c) and (d)), it is the applicant's statement of wares and the opponent's statement of services in registration No. TMA 373,464 that govern: see **Mr. Submarine Ltd. v. Amandista Investments Ltd.** (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.) (hereinafter "**Mr. Submarine**"), **Henkel Kommanditgesellschaft v. Super Dragon** (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) (hereinafter "**Henkel Kommanditgesellschaft**") and **Miss Universe, Inc. v. Dale Bohna** (1994), 58 C.P.R.(3d) 381 at 390-392 (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: see page 169 of the decision of the Federal Court of Appeal in **McDonald's Corporation v. Coffee Hut Stores Ltd.** (1996), 68 C.P.R. (3d) 168.

According to the Massaar affidavit, the applicant provides software to the Canadian investment fund industry (including twenty-six Canadian financial institutions) and offers a suite of integrated products which allow customers to meet their record keeping, sales and marketing, customer service and Internet needs as they relate to shareholder information. The MARKETRAX software, in particular, allows investment fund companies to track daily, monthly, yearly, previous year and rolling 12 month sales activity. It also provides data for purchases, redemptions, net sales, transfers, assets, momentum and number of trades for each period. The applicant's software is available to be purchased as a license agreement with or without facilities management and is available on a service bureau basis.

The opponent's marketing research services combine household-based consumer tracking with retailer-based tracking and warehouse tracking systems to provide its customers with a high level of decision-making information. The opponent's clients include large grocery store chains and pharmaceutical companies. In Exhibit C attached to Mr. Nelson's affidavit, there is reference made to the opponent's software capabilities in providing its marketing research services.

Although the opponent's marketing research services may be somewhat different than the applicant's software providing an investment funds sales and marketing tracking system, I agree with the opponent that the potential exists for the parties' channels of trade to overlap. In this regard, although the opponent's clients currently include large grocery store chains and pharmaceutical companies, the opponent's registered services are not limited to such clientele. As noted by the opponent's agent, Exhibit B to Mr. Nelson's affidavit states that ACNielsen is the global leader in delivering market research, information and analysis to the customer products and services industries. I therefore consider that the opponent could extend its services to the investment industry, including banks, to tracking what the stock market is doing, for example.

With respect to s.6(5)(e) of the *Act*, the parties' marks are very similar visually and almost identical when sounded. The ideas suggested by the parties' marks are also similar as both suggest keeping track of the market in some way.

As a surrounding circumstance, I have considered the applicant's argument that the use shown of the opponent's mark is not licensed use pursuant to s.50 of the *Act*. I respectfully disagree. Mr. Nelson states in his affidavit that his company has used the trade-mark pursuant to a license from A.C. Neilson Company and up until 1993, pursuant to a registered user as well. Further, Mr. Nelson states that A.C. Nielsen Company "controls the character and quality of the services performed in association with the trade-mark MARKET TRACK in Canada". As pointed out by the opponent's agent, Mr. Nelson stated that the registered owner had control over the actual services performed in association with the mark and not just over the affiant's company. I am therefore satisfied that Mr. Nelson's evidence is sufficient to show that the registered owner had the requisite control over the mark pursuant to s.50(1) of the *Act*. In any event, as noted by the opponent, the opponent can rely on the use of any party's mark to establish that the applied for mark is, at the least, not distinctive.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. Having regard to my conclusions above, and particularly in view of the extent to which the opponent's mark has become known, the resemblance between the marks of the parties and the potential for an overlap in their channels of trade, I find that I am left in a state of doubt with respect to the issue of confusion. Thus, I find the opponent successful with respect to each of the grounds of opposition.

Accordingly, and with the authority delegated to me under s. 63(3) of the *Act*, I refuse the applicant's application pursuant to s.38(8) of the *Act*.

DATED AT HULL, QUEBEC, THIS 28th DAY OF June, 2001.

C. R. Folz
Member,
Trade-Marks Opposition Board