IN THE MATTER OF AN OPPOSITION
by Realestate World Services (1978) Ltd.
to application No. 584,790 for the trade-mark
REALRISK filed by Gerald Thomas O'Connor

On May 28, 1987, the applicant, Gerald Thomas O'Connor, filed an application to register the trade-mark REALRISK based on proposed use in Canada with the following services:

> **real estate and investment services; the sale of high yield venture capital programs pertaining to investment, mortgage, business, including, but not limited to, mining, land development and construction projects.**

The application was advertised for opposition purposes on December 9, 1987. During the course of the present proceeding, the application was amended to delete the services described as "real estate and investment services."

The opponent, Realestate World Services (1978) Ltd., filed a statement of opposition on April 8, 1988 and a revised statement of opposition on May 16, 1988. A copy of the revised statement was forwarded to the applicant on June 6, 1988. During the course of the present proceeding, the opponent was granted leave to amend its statement of opposition on several occasions. The current statement of opposition is the revised version filed on July 24, 1992.

The first ground of opposition is that the applicant's application does not comply with the provisions of Section 30(i) of the Trade-marks Act because the applicant could not have been satisfied that it was entitled to use the applied for trade-mark in view of the prior use of the opponent's trade-marks and the reputation associated with those marks. The second ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Act because it is confusing with the following registered trade-marks of the opponent:

Trade-mark	Reg. No.	Wares/Services
REALSCOPE	**206,126**	**(1) services of real estate marketing display, namely photographing and developing, and mounting in a particular manner displays of real estate and all brochures and materials in relation thereto** **(2) services of promotion and advertising for sale, lease and investment generally of agricultural properties owned by others** **(3) services of audiovisual presentation of real estate listings by VHF recorder**
REALFAX	**349,060**	**real estate services**
REALINE	**349,061**	**services or [sic] providing information and advice to the public with respect to real estate services**
REALOAN	**309,178**	**computer based network for mortgage selection, application and origination**
REALNEWS	**386,343**	**written publications, namely, a periodical relating to real estate**

The first three trade-marks listed above are certification marks.

The third ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the trade-mark REALSAFE and the first four trade-marks noted above previously used in Canada by the opponent and for which applications had previously been filed. The fourth ground is that the applied for trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As its evidence, the opponent filed the affidavit of Harold L. Waddell. The applicant obtained an order to cross-examine Mr. Waddell on his affidavit. However, the applicant elected not to proceed and the order was subsequently withdrawn.

As its evidence, the applicant filed the affidavits of Gerald Thomas O'Connor, Peter Miller, Deirdre Billes and Laurie J. Smith. The opponent obtained an order to cross-examine Mr. O'Connor on his affidavit. However, Mr. O'Connor refused to attend for a scheduled cross-examination. His affidavit was therefore deemed not to form part of the record pursuant to Rule 46(5) of the Trade-marks Regulations and it was returned. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

As a preliminary matter, it should be noted that the Smith affidavit serves to introduce into evidence photocopies of an affidavit of Harold L. Waddell, a transcript of a cross-examination of Mr. Waddell and subsequently filed undertakings from an earlier opposition proceeding between the same parties respecting the trade-mark REALFACT. Those materials may not be relied on to prove the truth of their contents. Contrary to the submissions of the applicant, the issues in that previous opposition were not substantially identical to those in the present case. The applicant had an opportunity to cross-examine Mr. Waddell on his affidavit filed in this proceeding and elected not to proceed.

As for the Waddell affidavit, the applicant summarized that evidence in paragraph 10 of his written argument as follows:

> **The picture which emerges from the Opponent's evidence is that, through its brokers, it operates a real estate business under the trade-mark REALTY WORLD. As part of that business, the trade-marks REALSCOPE, REALFAX, REALINE and REALOAN are used to identify particular services. However, consumers do not encounter these four trade-marks until after they have encountered REALTY WORLD. In other words, it is the REALTY WORLD trade-mark which draws consumers to the Opponent's services: only in making use of those services do they encounter the four subsidiary trade-marks. Thus, one cannot give to the four subsidiary trade-marks the same level of reputation that one can give to REALTY WORLD.**

The opponent's first ground does not raise a proper ground of opposition. The mere fact that the opponent has previously used its trade-marks and each of those marks has acquired a reputation does not preclude the applicant from making the statement required by Section 30(i) of the Act. The opponent did not even allege that the applicant was aware of the opponent's marks. Thus, the first ground is unsuccessful.

As for the second ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, 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 those specifically set forth in Section 6(5) of the Act.

The most pertinent of the opponent's trade-marks listed above is registration No. 309,178 for the trade-mark REALOAN. That mark and the applicant's mark are inherently distinctive since they are both coined words. However, neither mark is inherently strong. The opponent's mark is suggestive of a service designed to obtain a loan or mortgage for real estate. The applicant's mark is suggestive of a high risk venture capital program which could include real estate investments.

The applicant has not evidenced any use of his mark. Thus, I must conclude that the applicant's mark has not become known at all in Canada. Although Mr. Waddell states that the opponent has used its mark REALOAN, he did not evidence the extent to which that mark has been used. Thus, I must also conclude that the opponent's mark has not become known at all in Canada.

The length of time the marks have been in use is not a material circumstance in the present case. The services of the parties appear to differ although there may be some overlap insofar as both relate to mortgages and possibly to real estate. As submitted by the opponent, the applicant's original application is some indication that the natures of the parties' trades are similar. The original application and the application as advertised included real estate services which is the primary business conducted by the opponent and its licensees.

As for Section 6(5)(e) of the Act, I consider that the marks of the parties bear a fair degree of visual and phonetic resemblance. Both marks are two syllable words comprised of seven or eight letters commencing with the word REAL. To the extent that the prefix REAL suggests real estate services, there is also some resemblance between the ideas suggested by the marks.

The applicant contends that a surrounding circumstance in the present case which lessens the effect of any degree of resemblance between the marks is the state of the register evidence introduced by the Billes affidavit. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in Ports International Ltd. v. Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 and the decision in Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the recent decision in Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd. (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

In her affidavit, Ms. Billes identifies a number of trade-marks incorporating the word REAL as a prefix. However, the results of Ms. Billes' search only reveal about a dozen different trade-marks including a REAL-prefixed word owned by eight different owners and registered for either real estate-related services or some type of financial service. At best, I am only able to conclude that a very few of those marks have been used more than minimally. Thus, I am only able to conclude that consumers are used to seeing REAL-prefixed marks in the real estate business and the financial services business to a very limited extent such that they would be more likely to differentiate such marks on the basis of their other components.

As a further and more significant surrounding circumstance, I have considered the use of the opponent's three certification marks (i.e - REALSCOPE, REALFAX and REALINE) by its licensees in association with real estate-related services. The opponent has evidenced continuous use of those three marks for a number of years throughout Canada. Thus, I am able to conclude, at least to some extent, that a number of Canadians have been conditioned to associating REAL-prefixed marks for real estate services with the opponent's licensees. This, in my view, increases the likelihood of confusion between the marks at issue in the

present case.

At the oral hearing, the opponent's agent submitted that reference should be made to two additional registrations of the opponent for REAL-prefixed trade-marks and that they are also members of the opponent's family of marks. However, the opponent failed to evidence those two additional registrations and, in accordance with the opposition decision in Coca-Cola Co. v. Cliffstar Corp. (1993), 49 C.P.R.(3d) 358 at 360, I have not checked the trade-marks register to confirm the existence of those two additional registrations. In any event, even if those two registrations are subsisting, they would be irrelevant to the issue at hand since the opponent did not evidence any use of those two marks.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the resemblance between the trades and marks of the parties and the use of three other REAL-prefixed marks by the opponent's licensees, I find that the applicant has failed to satisfy the onus on it to show that its trade-mark REALRISK is not confusing with the opponent's trade-mark REALOAN. The first aspect of the second ground of opposition is therefore successful and the remaining grounds need not be considered.

In view of the above, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 31st DAY OF October , 1994.

David J. Martin,
Member,
Trade Marks Opposition Board.