

**IN THE MATTER OF AN OPPOSITION by  
André Gingras to Application No. 1176384 for  
the Trade-mark ENCAN DIRECT filed by  
Krikor Hairabedian**

**I The Pleadings**

On May 1<sup>st</sup>, 2003, Krikor Hairabedian (the “Applicant”) filed an application to register the trade-mark ENCAN DIRECT (the “Mark”) application number 1176384 on the basis of use in Canada since December 1<sup>st</sup>, 2002. In reply to an office action the Applicant filed a revised application wherein he disclaimed the exclusive use of the word ENCAN apart from the trade-mark as a whole. The services are identified as:

Purchase and sale of used vehicles (the “Services”).

The application was advertised on February 25, 2004 in the Trade-marks Journal for opposition purposes.

André Gingras (the “Opponent”) filed on April 21, 2004 a statement of opposition, forwarded on May 27, 2004 by the Registrar to the Applicant. In a detailed counter statement filed on January 7, 2005, which includes some arguments, the Applicant denied all grounds of opposition.

The Opponent produced the “affidavit” of Mr. André Gingras while the Applicant filed the “affidavit” of Me Malcom K. Oppen. Neither of them was cross-examined. Stephan Management Ltd/Gestion Stephan Ltée. (“Stephan”) filed a written argument on behalf of the Applicant and the Opponent did not file a written argument. Neither party requested an oral hearing.

A review of the file shows that it has been a succession of “errors and omission” by both parties. Delays were not met. Retroactive extensions of time had to be granted after a notice was sent to the Applicant that the application would be treated as abandoned for failure to submit his counter statement. The documents filed as “affidavit” do not meet the minimal standards that one would

expect from a legal document. The Registrar informed Stephian on February 16, 2005 that it could not act on behalf of the Applicant. Notwithstanding such notice the Registrar continued to receive correspondence from Stephian including the written argument. I will discuss hereinafter the deficiencies in the “affidavits” produced in the file. Finally, the Opponent requested by letter dated January 19, 2007 leave to amend his statement of opposition and to file additional evidence. The Registrar advised the Opponent on February 1<sup>st</sup>, 2007 that his application was incomplete. The Opponent did not cure the deficiencies and for the purposes of my decision I did not take into consideration the material attached to the Opponent’s aforesaid letter.

## **II The statement of opposition**

I should point out at the outset that I am ignoring the duplication of grounds of opposition and statements in the form of argumentation. The grounds of opposition can be summarized as follows:

1. The application does not comply with the requirements of s. 30(i) of the *Trade-Marks Act* R.S.C. 1985, c. T-13, (the «Act»), in that the Applicant could not have been satisfied that he was entitled to use the Mark in association with the Services;
2. The Mark is not registrable pursuant to the provisions of s. 38(2)(b) and 12(1)(b) and (c) in that:
  - i) The Mark is too general and imprecise. It describes a type of service that could be provided in other activities;
  - ii) The Mark is clearly descriptive or deceptively misdescriptive of the Services in that the buyer does not bid directly or indirectly in an auction. As such the sale is not by auction and is not direct;
3. Contrary to the provisions of s. 30(a), the application does not contain a statement in ordinary commercial terms of the Services;
4. The Mark is not distinctive within the meaning of s. 2 of the Act in that:
  - i) The words used to form the Mark do not contain any distinctive element and relates solely to means of sale that could be used by different entities and for an array of products;
  - ii) The Mark is already used by other entities having their place of business in the province of Quebec such as Encan Direct Élite Inc., Encan direct

- H. Grégoire, Encan Auto Direct Inc., Méga Encan Direct, Encan Direct Chomedey and Vision Encan Direct;
- iii) The Mark has already been considered as non distinctive by an examiner in the prosecution of the application.

### **III Admissibility of the evidence filed by the parties**

The Opponent signed a document before a Commissioner of Oaths and presented it to the Registrar as the Opponent's evidence. Rule 41 of the *Trade-marks Regulations (1996)* provides that the evidence must be in the form of an affidavit or a statutory declaration. In order to be a proper affidavit the affiant must be clearly identified by his name, address and his function. He must also state that he makes oath or solemnly declares what is described hereinafter. This information and statement are missing. Moreover the document is simply a list of documents on which the Opponent intended to rely. No information is provided with respect to the origin of each of these documents and what they represent. Therefore I cannot consider the document signed by Mr. Gingras as an affidavit or a statutory declaration. [See form 80 of the Federal Court Rules and *G.R. Financial Inc. v. M.N.R.* [1987]2 F.C. D-10] Consequently, there is no evidence filed by the Opponent to support any of the grounds of opposition described above.

It would appear that the Applicant used the same form to draft Mr. Oppen's "affidavit". Under these circumstances I shall not regard as proper evidence the document signed by Mr. Oppen on May 24, 2005 even though it was signed before a Commissioner of Oaths. I am fully aware that "form" should not override "content" but in the case of an affidavit minimum requirements must be met in order to treat the document as proper evidence, especially in matters where the evidence can only be tendered through such mean, as in the case of opposition proceedings.

In any event beside extracts of dictionaries, which I am entitled to consult, the other documents annexed to these "affidavits" are computer printouts of Registraire des entreprises du Québec commonly known as CIDREQ. Those documents do not establish use of a trade-name or a trade-mark. [See *Pharmx Rexall Drug Stores Inc. v. Vitabrin Investments Inc.* (1995), 62 C.P.R. (3d) 108 (T.M.O.B.) and *Tension 10 Inc. v. Tension Clothing Inc.* (2005) 45 C.P.R. (4th) 136 (T.M.O.B.)] As such they would be of little assistance to the parties.

#### **IV Analysis of the various grounds of opposition**

The burden is upon the Applicant to demonstrate that its application complies with the provisions of the Act, but there is however an initial onus on the Opponent to establish the facts relied upon by it in support of each ground of opposition. Once this initial onus is met, the Applicant still has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark. [See *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722]

The relevant date varies from one ground of opposition to another. They are:

- Compliance to the requirements enumerated under s. 30 of the Act: the filing date of the application (May 1<sup>st</sup>, 2003); [See *Dic Dac Holdings (Canada) Ltd c. Yao Tsai Co.* (1999), 1 C.P.R. (4th) 263 et *Georgia-Pacific Corp.v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469]
- Registrability of the Mark under s. 12(1)(b) of the Act: also the filing date of the application; [See *Zorti Investments Inc. v. Party City Corporation* (2004), 36 C.P.R. (4th) 90; *Havana Club Holdings S.A. v. Bacardi & Company Limited*, (2004) 35 C.P.R. (4th) 541]
- Distinctiveness of the Mark: the filing date of the statement of opposition is generally accepted as the relevant date (April 21, 2004). [See *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)]

i) Grounds of opposition under s. 30 of the Act

The first ground of opposition is insufficiently pleaded. Under s. 30(i) of the Act the Applicant has to state that he is satisfied that he is entitled to use the Mark in Canada in association with the Services. Such statement is included in the application. The Opponent provided no reason as to

why the Applicant could not have made such statement at the filing date of the application. Therefore the first ground of opposition is dismissed.

The Opponent has not filed any evidence in support of his third ground of opposition. Consequently, it failed to meet its initial onus. This ground of opposition is also dismissed.

ii) Distinctiveness

Ground of opposition 4i), as drafted, is not a proper ground of opposition. The requirements linked to the Mark itself are set out in s. 12(1) of the Act. None of these requirements relate to the ground of opposition pleaded by the Opponent. Therefore this ground of opposition is dismissed.

As I already rejected from the record the Opponent's evidence, the latter has failed to meet its initial onus with respect to ground 4ii) described above. In any event even if I were to accept Mr. Gingras' "affidavit" the documents annexed thereto do not constitute proper evidence of prior use of third parties' trade-names that could negate the Mark's distinctiveness. Therefore this ground of opposition is also dismissed.

With respect to ground of opposition 4iii) there is no evidence filed by the Opponent to support such contention. In any event, as prescribed by the provisions of s. 37 and 38 of the Act, the burden is different at the examination stage than it is at the opposition stage. In any case, the Applicant only had to disclaim the exclusive use of the word "ENCAN" apart from the Mark as a whole. Such disclaimer does not prejudice or affect the Applicant's rights then existing in the disclaimed matter. [See s. 35 of the Act] This ground of opposition is also dismissed.

iii) Registrability

Ground of opposition 2i) is similar to ground of opposition 4i). It is dismissed for the same reasons outlined under such ground of opposition.

I shall construe the ground of opposition 2ii) as generally raising the issue of the descriptiveness of the Mark or that it is deceptively misdescriptive of the Services. The test under s. 12(1)(b) has been described in *Thomas J. Lipton Ltd. c. Salada Foods Ltd (no.3)* (1979), 45 C.P.R. (2d) 157 as follow:

Connotation means an implication or a suggestion. Even a "specific descriptive suggestion or implication" or "a clear implication or suggestion" that a mark is descriptive or misdescriptive is not sufficient to disqualify it for registration under s-s. 12(1)(b). That enactment admits of no mere implication or suggestion. Parliament used the word "clearly" before the word "descriptive" and "deceptively" before the word "misdescriptive" and the Registrar has made no finding that the word was either clearly descriptive or deceptively misdescriptive. As to whether a mere suggestive description suffices, one might refer to a decision of the former Exchequer Court of Canada in the case of *Kellogg Co. of Canada Ltd. v. Registrar of Trade Marks*, [1939] 3 D.L.R. 65, [1940] Ex. C.R. 163 at pp. 170 and 171.

The concept of clearness where the word is descriptive and of deception where it is misdescriptive are essential elements.

Later on Mr. Justice Cattanach in *Oshawa Group Ltd. v. Registrar of Trade-marks* (1980), 46 C.P.R. (2d) 145 stated:

“I accept without question the submission of counsel for the appellant that the decision that a trade mark is clearly descriptive is one of first impression from which it follows that it is not the proper approach to critically analyse the words of the mark but rather to ascertain the immediate impression created by the mark in association with the services proffered.

I also accept the premise of counsel for the respondent that a mark must first be found to be descriptive before it can be found to be misdescriptive: see *Bonus Foods Ltd. v. Essex Packers Ltd.* (1964), 43 C.P.R. 165 at p. 178, 49 D.L.R. (2d) 320, [1965] 1 Ex. C.R. 735 at p. 749.” (my underlines)

Mr. Justice Cattanach used similar terms in *G.W.G. c. Registrar of Trade-marks* (1981), 55 C.P.R. (2d) 1 :

It has been repeatedly stated based on the authority of numerous decided cases:

(1) that whether a trade mark is clearly descriptive is one of first impression;

(2) that the word "clearly" in para. 12(1)(b) of the Act is not a tautological use but it signifies a degree and is not synonymous with "accurate" but means in the context of the paragraph "easy to understand, self-evident or plain", and

(3) that it is not a proper approach to the determination of whether a trade mark is descriptive to carefully and critically [page 3] analyse the words to ascertain if they have alternate implications or alternate implications when used in association with certain wares and to ascertain what those words in the context in which they are used would represent to the public at large who will see those words and will form an opinion as to what those words will connote: see *John Labatt Ltd. v. Carling Breweries Ltd.* (1974), 18 C.P.R. (2d) 15 at p. 19.

It is with these general principles in mind that I shall determine if the Mark is clearly descriptive or deceptively misdescriptive.

The word "Encan" is defined in the "Nouveau Petit Le Robert" dictionary as:

« En vente aux enchères publiques ».

The word « direct » in the same dictionary is defined as:

“... Qui est immédiat, sans intermédiaire. *Vente, diffusion directe*”.

It would appear from those definitions, on a first impression basis, that the Mark describes the character of the Services as being the direct purchase or sale of used cars through an auction. We do not have evidence of the means used by the Applicant to purchase or sell used cars. Is it by way of auction or by sale without an intermediary? If the Applicant either purchases or sells used cars by way of auction without an intermediary, the Mark is clearly descriptive of the Services. As stated above in order for a trade-mark to be deceptively misdescriptive, it has to be descriptive. If the sale of used cars is not performed through an auction, the Mark would be deceptively misdescriptive. Either way the Mark would not be registrable pursuant to s. 12(1)(b) of the Act. Consequently ground of opposition 2 ii) described above is maintained.

## **V Conclusion**

The Applicant failed to discharge the burden of establishing, on a balance of probabilities, that the Mark is not clearly descriptive or deceptively misdescriptive in the French language of the character of the Services.

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 Services, the whole pursuant to s. 38(8) of the Act.

DATED IN BOUCHERVILLE, QUEBEC, THIS DAY 8th OF AUGUST 2007.

Jean Carrière,  
Member,  
Trade-marks Opposition Board