



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

Citation: 2011 TMOB 119
Date of Decision: 2011-07-05

**IN THE MATTER OF AN OPPOSITION
by Trader Corporation to application
No. 1,336,144 for the trade-mark NEW
HOME BUYERS NETWORK in the name
of New Home Buyers Network Inc.**

Introduction

[1] On February 20, 2007 New Home Buyers Network Inc. (the Applicant) filed application No. 1,336,144 to register the trade-mark NEW HOME BUYERS NETWORK (the Mark) based on use in Canada since June 1995. It covers the following wares and services:

Internet websites used by builders and developers of new residential homes and condominiums to promote the sale of new residential homes and condominiums to the public. Internet websites devoted to the search for and purchase of new residential homes and condominiums (the Wares);
Publication of Internet websites used by builders and developers of new residential homes and condominiums to promote the sale of new residential homes and condominiums to the public. Publication of Internet websites devoted to the search for and purchase of new residential homes and condominiums (the Services).

The Applicant disclaimed the right to the exclusive use of the words NEW HOME BUYERS apart from the Mark.

[2] The application was advertised on November 21, 2007 in the *Trade-marks Journal* for opposition purposes. Trader Corporation (the Opponent) filed a statement of opposition on April 21, 2008 which was forwarded by the Registrar on May 27, 2008 to the Applicant.

[3] The Applicant filed a counter statement on June 4, 2008 denying in essence the grounds of opposition pleaded by the Opponent.

[4] The Opponent filed the affidavits of Gloria Roknic and Jennifer Nalepa while the Applicant filed the affidavit of Sam Reiss.

[5] Both parties filed written submissions and there was no oral hearing.

The Grounds of Opposition

[6] The grounds of opposition raised by the Opponent can be summarized as follow:

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 stated that it was satisfied that it was entitled to use the Mark in Canada in association with the Wares and Services given the previous use of the confusingly similar trade-mark and trade-name NEW HOME BUYERS GUIDE by the Opponent in association with magazines concerning condominiums, townhomes and single family homes and services consisting of providing a medium of advertising by means of printed publication, namely a magazine;
2. The application does not comply with the requirements of s. 30(b) of the Act in that the Applicant and/or its predecessor-in-title have not used the Mark in Canada in association with the Wares and Services as of the date of first use claimed in the application;
3. The Applicant is not the person entitled to registration of the Mark pursuant to the provisions of s. 38(2)(c) and 16(1)(a) of the Act because at the alleged date of first use of the Mark, it was confusing with the trade-mark NEW HOME BUYERS GUIDE previously used or made known in Canada in association with the Opponent's wares and services;
4. The Applicant is not the person entitled to registration of the Mark pursuant to the provisions of s. 38(2)(c) and 16(1)(c) of the Act because at the alleged date of first use of the Mark it was confusing with the trade-name NEW

HOME BUYERS GUIDE previously used in Canada by the Opponent in association with the Opponent's wares and services;

5. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Mark is not distinctive in that the Mark does not actually distinguish the Wares and Services, nor is it adapted so to distinguish them from those of others particularly those of the Opponent sold and performed in association with the trade-mark NEW HOME BUYERS GUIDE.

Legal Onus and Burden of Proof in Trade-marks Opposition Proceedings

[7] The legal onus is upon the Applicant to show that its application complies with the provisions of the Act, but there is however 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. Once this initial burden is met, the Applicant 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.* (1984), 3 C.P.R. (3d) 325 (T.M.O.B.); *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) and *Wrangler Apparel Corp. v. The Timberland Company* [2005] F.C. 722].

Relevant dates

[8] The relevant date for the analysis of each ground of opposition varies depending on the ground of opposition to be assessed:

- Non-compliance with the requirements of s. 30 of the Act: The filing date of the application (February 20, 2007);
- Entitlement to the registration of the Mark, where the application is based on use: The date of first use alleged in the application (June 1995) [see s.16(1) of the Act];
- Distinctiveness of the Mark: The filing date of the statement of opposition (April 21, 2008) is generally accepted to be the relevant date [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.)].

Preliminary remarks

[9] Some of the evidence filed by the Applicant and in particular the content of paragraph 21 of Mr. Reiss' affidavit together with exhibit X to his affidavit, the content of Ms. Nalepa's affidavit as well as some of the arguments contained in the Applicant's written argument seek to challenge the registrability of the Opponent's trade-mark NEW HOME BUYERS GUIDE. This trade-mark is not the subject of these opposition proceedings and I find this issue not relevant to this opposition.

Section 30 Grounds of Opposition

[10] The first ground of opposition as drafted is not a proper ground of opposition. Section 30(i) of the Act only requires that the Applicant declare itself satisfied that it is entitled to the registration of the Mark. Such a statement is included in the application. The allegation that the Applicant had knowledge of the existence of the Opponent's prior use and making known of confusingly similar trade-marks and trade-names cannot form the basis of a ground of opposition under s. 30(i) of the Act. Prior use and making known of confusingly similar trade-marks or trade-names is covered by the ground of opposition detailed in s. 16 of the Act and commonly known as "entitlement", which is included in the Opponent's statement of opposition.

[11] Section 30(i) can be the basis of a ground of opposition in specific cases such as where fraud by the Applicant is alleged [see *Sapodilla Co. Ltd. v. Bristol Myers Co.* (1974) 15 C.P.R. (2d) 152 (T.M.O.B.)]. There is no allegation of that nature in the statement of opposition or any evidence to that effect. Under these circumstances, the first ground of opposition is dismissed.

[12] The Opponent has an evidential burden when alleging non-compliance with s. 30(b) of the Act but it has been characterized as a light one. Moreover the Opponent can rely on the evidence filed by the Applicant itself [see *York Barbell Holdings Ltd. v. ICON Health & Fitness, Inc.* (2001), 13 C.P.R. (4th) 156]. However such evidence must raise

serious doubts on the accuracy of the statements made by the Applicant in its application [See *Tune Masters v. Mr. P's Mastertune Ignition Services Ltd.* (1986) 10 C.P.R. (3d) 84 (T.M.O.B.), *Labatt Brewing Co. v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.) and *Williams Telecommunications Corp. v. William Tell Ltd.*, (1999) 4 C.P.R. (4th) 107 (T.M.O.B)].

[13] The Opponent has not filed any evidence that could support its allegation that the Applicant has not used the Mark as of the claimed date of first use mentioned in the application. However it relies on the Applicant's evidence to sustain an argument that the Mark has not been used since the claimed date of first use of June 1995, namely June 30, 1995.

[14] Mr. Reiss is the Applicant's Secretary and a shareholder. He states in paragraph 11 of his affidavit, in support of his allegation that the Applicant began using the Mark in June 1995, that the Applicant was incorporated on June 15, 1995. He filed a copy of the Articles of Incorporation. The Opponent argues that business licenses and certificates of incorporation do not constitute proper evidence of use of a trade-mark within the meaning of s. 4 of the Act and I agree with that proposition. However the Opponent submits the fact that the Applicant was incorporated on June 15, 1995 raises a serious doubt as to whether the Mark was being used by the end of June 1995. Without any further evidence on this issue I fail to see how a date of incorporation which is 15 days prior to the alleged date of first use of the Mark would raise serious doubts on the use of the Mark on that claimed date of first use. Since the initial burden is on the Opponent I do not consider that particular fact to be sufficient to shift the burden to the Applicant.

[15] The Opponent asserts that the oldest documents filed by the Applicant, beside the Articles of Incorporation, are invoices that go back to July 1999. However Mr. Reiss does state in paragraph 20 of his affidavit that those invoices "...are not necessarily proof of the earliest use of the Mark".

[16] One must put in its proper context the Applicant's evidence. The Opponent did not file any evidence that would challenge the alleged date of first use of the Mark by the Applicant. The latter, through the affidavit of Mr. Reiss, is trying to demonstrate that the

Mark is not confusing with the Opponent's trade-mark NEW HOME BUYERS GUIDE as the Wares and Services and channels of trade differ from those of the Opponent. Obviously there is some evidence of use of the Mark to be discussed under the ground of opposition of entitlement but clearly that evidence was not intended to justify the claimed date of first use alleged in the application.

[17] As a final argument the Opponent is arguing that most of the documentation filed by the Applicant to support its alleged use of the Mark does not constitute proper evidence of use of the Mark but rather shows use of the Applicant's corporate name New Home Buyers Guide Inc. together with a design element. The design portion consists of seven vertical lines forming the shape of a house placed on top of the corporate name that is written on two separate lines, but all in the same font including the word "Inc".

[18] In the case *Road Runner Trailer Manufacturing Ltd. v. Road Runner Trailer Co.* (1984), 1 C.P.R. (3d) 443 (F.C.T.D.), Rouleau J. considered when use of a mark that is part of a corporate name constitutes use of the trade-mark "per se". At pages 448 and 449 of the decision he states:

When a mark is part of a corporate name it does not constitute a bar. One must be reluctant in maintaining such a mark but there are circumstances when it can be sustained. There is not overwhelming evidence; but on the other hand, the registrar was cautious and was aware of the pitfalls when a trade mark forms part of the corporate name. He was satisfied that the mark appeared in greater prominence and created a distinctive element of the corporate name; this he found to be constitutive use of the trade mark. The mark was attached to the goods manufactured by the registrant and in his words, "there is no doubt in my mind that the mark ROAD RUNNER TRAILER was used by the registrant so as to distinguish his trailers from those of others". The U.S. courts indicate that they must be satisfied that the trade mark used in conjunction with the trade name is sufficient to identify and distinguish the product; that it is attached to the goods; that, though an address of the manufacturer is included in the label, it does not merely identify the manufacturer's address, but predominantly sets out and distinguishes the mark; that a corporate name, when also used as a trade mark, should be decided on the circumstances of each particular case; that the presumption, that a company name is a trade name rather than a trade mark, is rebuttable

[19] Applying those principles to the invoices filed as well as those extracts of websites on which appears only the corporate name and the design, I conclude that they do not show use of a trade-mark but rather show use of the Applicant's corporate name.

[20] However there is evidence of use of the Mark and I refer to exhibits H, J, L, N, P and R for example. The Opponent is arguing that those exhibits go back only to June 2006. Again those exhibits were not filed to support a date of first use but rather to show use of the Mark in association with the Wares and Services.

[21] For all these reasons I dismiss the second ground of opposition for failure by the Opponent to meet its initial evidential burden.

Entitlement based on s. 16(1)(a) of the Act

[22] In order to consider a ground of opposition based on s. 16(1)(a) of the Act the Opponent has an initial evidential burden to prove that its trade-mark NEW HOME BUYERS GUIDE had been used or made known in Canada prior to the claimed date of first use of the Mark in Canada by the Applicant, namely June 1995.

[23] Ms. Roknic is the Opponent's Director of Marketing for the Real Estate portfolio. She has been employed by the Opponent since September 2006. She states that the Opponent and its predecessors in title have been in the business of classified advertisements in Canada for several decades. One of the Opponent's publications is a magazine entitled NEW HOME BUYERS GUIDE which provides advertisements and information concerning new condominiums, townhouses and residential real estate for sale primarily in the regions of British Columbia and Alberta.

[24] She filed as Exhibit A to her affidavit either the cover page or an entire copy of numerous issues of such magazine from May 1994 to July 2008 inclusive, all bearing the trade-mark NEW HOME BUYERS GUIDE. This magazine is a free publication distributed in Alberta since 1989, and since 2002 in British Columbia. It is made available to consumers in free-standing racks and boxes on street corners and in retail outlets such as grocery and convenience stores.

[25] Ms. Roknic provides the annual revenue from advertisements displayed in the magazine NEW HOME BUYERS GUIDE between 1989 and 2008 (as of September 2008), which varies from \$200,000 to approximately \$3 million for Alberta and from \$950,000 to an excess of \$3 million for British Columbia.

[26] She also provides the number of copies distributed in British Columbia from 2002 (after the relevant date) to 2007 but was unable to provide similar information for the province of Alberta alleging resource constraints and changes in the archive record system in Alberta. In any event, the annual revenue figures provided as well as copies of the cover page or the entire content of the Opponent's magazine do establish use of the trade-mark NEW HOME BUYERS GUIDE in Canada since at least May 1994. Moreover the evidence described above shows that the Opponent had not abandoned the use of its trade-mark at the date of advertisement of the present application (November 21, 2007) [see s. 16(5) of the Act]. As such the Opponent has met its initial evidential burden.

[27] Consequently the Applicant has the burden to prove, on a balance of probabilities that the use of the Mark in association with the Wares and Services is not likely to cause confusion with the Opponent's trade-mark NEW HOME BUYERS GUIDE. The test to determine this issue is set out in s. 6(2) of the Act. I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance, or sound or in the ideas suggested by them.

[28] Those criteria are not exhaustive and it is not necessary to give each one of them equal weight. In its recent judgment in *Masterpiece Inc. v. Alavida Lifestyles Inc. et al.* 2011 S.C.C. 27 the Supreme Court of Canada has clearly indicated that the most important factor amongst those listed under s. 6(5) of the Act is the degree of resemblance.

[29] Both marks are weak trade-marks. They are highly suggestive of the parties' respective wares and services. However the inherent distinctiveness of a trade-mark may be enhanced if it has been extensively used or made known in Canada. Clearly from the evidence described above, the Opponent's trade-mark NEW HOME BUYERS GUIDE was known to some extent in Alberta at the relevant date. I have disregarded evidence of use in the province of British Columbia as any use of the Opponent's trade-mark in that province occurred after the relevant date.

[30] As for the extent the Mark was known at the relevant date, namely June 1995, it cannot be said that the Mark was known to any extent in Canada at such date. This factor favours the Opponent.

[31] Concerning the period of time the trade-marks have been in use, this factor also favours the Opponent.

[32] As for the nature of the parties' respective wares and services, the Applicant argues that there is a difference between "publication of an Internet website devoted to the search for the purchase of new residential homes and condominiums" from the Opponent's services described by the Applicant as "advertising agencies and consultants". That description of the Opponent's services comes from the search report prepared by Thomson & Thomson, filed as an exhibit to Mr. Reiss' affidavit, which disclosed the relevant registrations, domain names and common law trade-marks to determine if the Mark was available for registration. The content of that report is hearsay evidence in so far as the business activities of the Opponent. Such activities have been described by the Opponent through the affidavit of Ms. Roknic and detailed above. The exhibits filed by Ms. Roknic clearly prove that the Opponent does publish a magazine wherein real estate properties for sale located in Alberta and British Columbia are advertised. There is clearly a similarity between the Opponent's wares and services and those covered by the Applicant's application. The difference is in the medium used. I do not consider such a difference to be an important factor in this case.

[33] With respect to the nature of the trade, the Applicant argues that the Opponent offers its services through a printed medium without the benefit of interactivity while the

Applicant offers its Wares and Services through the Internet, with multiple interactive applications. However the Wares and Services serve the same purpose: advertise real estate properties that are for sale. Both parties' clientele are those doing business in real estate. Both parties' wares and services inform potential buyers of new properties that are for sale.

[34] When assessing the degree of resemblance the marks in issue must not be put side by side and make a careful comparison with a view to noticing similarities and differences. The marks do resemble to each other in sound, appearance and meaning as the first three components of the marks are identical. Even though the marks differ in so far as the last component is concerned, I do not think that the presence of the word "network" instead of "guide" creates a meaningful difference. The imperfect recollection of the Opponent's trade-mark in the mind of a consumer will likely lead to some confusion when faced with the Mark. Both marks suggest a source of information about new residential housing available for purchase.

[35] From this analysis I conclude that the Applicant has not discharged its burden to prove, on a balance of probabilities, that there was no likelihood of confusion at the relevant date, between the Opponent's trade-mark NEW HOME BUYERS GUIDE and the Mark when used in association with the Wares and Services. Consequently I maintain the third ground of opposition.

Distinctiveness

[36] To meet its initial burden under this ground of opposition the Opponent had to prove that its trade-mark NEW HOME BUYERS GUIDE had become sufficiently known in Canada on April 21, 2008, the filing date of the statement of opposition, to negate any distinctiveness of the Mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.)].

[37] The evidence described under the ground of opposition of entitlement is sufficient to conclude that the Opponent's trade-mark NEW HOME BUYERS GUIDE was known in Canada, or at least in Alberta and British Columbia at the relevant date. Therefore the

burden shifts on the Applicant to show, on a balance of probabilities, that the Mark was not likely to create confusion with the Opponent's aforesaid trade-mark such that it was adapted at the relevant date to distinguish or actually distinguished throughout Canada the Wares and Services from the Opponent's wares and services [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272 (T.M.O.B.)].

[38] The later material date under this ground of opposition would not materially affect my analysis of the relevant criteria to assess the likelihood of confusion between the marks in issue. I would have to take into consideration any evidence of use of the Mark by the Applicant up to the material date but unfortunately we do not have any quantifiable parameters to measure the extent of such use. Mr. Reiss does provide a list of websites hosted on the Applicant's server but there is no data provided on the number of visitors who did in fact visit those websites. The same applies to the websites operated in partnership with Canadian newspapers as part of a network and described by Mr. Reiss in his affidavit. Therefore my analysis of the relevant criteria to determine if the Mark is likely to cause confusion with the Opponent's trade-mark would generate similar results to those described under the entitlement ground of opposition.

[39] Under these circumstances I conclude that the Applicant has failed to prove that the Mark was distinctive or was adapted to distinguish the Wares and Services from the wares and services of the Opponent. Consequently I maintain the last ground of opposition.

Entitlement under s. 16(1)(c) of the Act

[40] The Opponent having been successful under two different grounds of opposition it is not necessary for me to dispose of this ground of opposition.

Disposition

[41] Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I refuse pursuant to s. 38(8) of the Act the Applicant's application for the registration of the Mark.

Jean Carrière
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office