IN THE MATTER OF AN OPPOSITION by Beneficial Canada Inc. to application No. 787,860 for the trade-mark BENE FIT & Design filed by Frontline Centre Inc.

On July 19, 1995, the applicant, Frontline Centre Inc., filed an application to register the trade-mark BENE FIT & Design, a representation of which appears below, based upon proposed use by the applicant itself or through a licensee, or by the applicant and through a licensee, of the trade-mark in Canada in association with "Discount cards, debit cards, credit cards, identification cards and security cards" and in association with "Administration, claims adjudication, information management, payment processing, eligibility verification, and employee data record keeping, all for employee benefit plans, and marketing services on behalf of benefit plan providers and distributors". The applicant disclaimed the right to the exclusive use of the word "benefit" apart from the trade-mark.

The present application was advertised for opposition purposes in the ***Trade-marks Journal*** of January 10, 1996 and the opponent, Beneficial Canada Inc., filed a statement of opposition on March 11, 1996, a copy of which was forwarded to the applicant on April 4, 1996. The applicant served and filed a counter statement on May 1, 1996 in which it effectively denied the opponent's grounds of opposition. The opponent filed as its evidence the affidavit of Frank J. Prentice while the applicant submitted as its evidence the affidavits of Peter Eliopoulos, Joanna Kotsopoulos, C. Anik Morrow and Patrick Sweeney. Both parties filed a written argument and neither party requested an oral hearing.

As its first ground, the opponent alleged that the applicant's trade-mark is not registrable in view of Paragraph 12(1)(d) of the ***Trade-marks Act*** in that the trade-mark BENE FIT & Design is confusing with its registered trade-marks identified below:

Trade-mark	***Registration No.***	***Services***
BENEFICIAL FINANCIAL CO. Design	105,005	All and various services rendered to applicants and customers in conducting and operating the small loan, installment loan and installment credit business.
BENEFICIAL & Design	105,007	All and various services rendered to applicants and customers in conducting and operating the small loan, installment loan and installment credit business.
BENEFICIAL & Design	105,010	All and various services rendered to applicants and customers in conducting and operating the small loan, installment loan and installment credit business.
BENEFICIAL FINANCIAL SYSTEM	207,465	All services inherent in and ancillary to the rendering of personal loans as well as to the preparation of income tax returns. All services inherent in and ancillary to the rendering of residential mortgage loans and second mortgages.
BENEFICIAL	211,821	All services inherent in and ancillary to the rendering of personal loans as well as to the preparation of income tax returns. All services inherent in and ancillary to the rendering of residential mortgage loans and second mortgages.
BENEFICIAL DU CANADA	211,822	All services inherent in and ancillary to the rendering of personal loans as well as to the preparation of income tax returns. All services inherent in and ancillary to the rendering of residential mortgage loans and second mortgages.
BENEFICIAL Design	273,205	Operation of a finance company; the provision of financial advice and assistance through loans programs, mortgages; income tax preparation and advice.
BENEFICIAL & Design	331,317	Financial services, namely, the provision of loans, credit to customers; income tax services, namely, before income tax preparation and advice, and the operation of a finance company; the provision of financial advice and assistance through loans programs, mortgages; income tax preparation and advice.
BENEFICIAL PROTECTION PLAN	451,514	Insurance services namely, providing policies of credit related insurance on life, disability and/or involuntary job-loss to secure monies owing to third parties.
BENEFICIAL CREDIT SERVICES	440,650	Financial services, namely sales financing; the provision of a credit card system by others to their customers; providing of a system of sales financing to merchants and retailers enabling their customers to obtain goods and services through provision of credit to consumers.

In determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue, the Registrar must have regard to all the surrounding circumstances, including

those specifically enumerated in Subsection 6(5) of the ***Trade-marks Act***. Further, the Registrar must bear in mind that the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks at issue as of the date of my decision, the material date for considering the Paragraph 12(1)(d) ground of opposition [see ***Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks***, 37 C.P.R. (3d) 413 (F.C.A.)].

With respect to the inherent distinctiveness of the trade-marks at issue, the applicant's trade-mark BENE FIT & Design as applied to the services covered in the present application possesses some minor degree of inherent distinctiveness when considered in its entirety due to the design features associated with the mark even though the word "benefit" is descriptive when applied to the applicant's services and has been disclaimed by the applicant apart from its trade-mark. Each of the opponent's registered trade-marks includes the dominant element BENEFICIAL which is defined in the WWWebster Dictionary as: "1 : conferring benefits : conducive to personal or social well-being; 2 : receiving or entitling one to receive advantage, use, or benefit <a beneficial legacy>". Thus, the mark BENEFICIAL describes the opponent's services as conferring benefits on its customers and, as such, has a laudatory connotation. There are a number of decisions in which the Federal Court has concluded or commented on the fact that words or prefixes having a laudatory connotation are prima facie descriptive terms [see, for example, ***Mitel Corporation v. Registrar of Trade Marks***, 79 C.P.R. (2d) 202, at p. 206; ***Molson Companies Ltd. v. John Labatt Ltd.***, 58 C.P.R. (2d) 157, at p. 160; ***Imperial Tobacco Ltd. v. Benson & Hedges (Canada) Inc.***, 75 C.P.R. (2d) 115, at p. 118; and ***Cafe Supreme F et P Ltée v. Registrar of Trade Marks***, 4 C.P.R. (3d) 529, at p. 532]. Having regard to these decisions, it is apparent that a trade-mark having a dominant element which has a laudatory connotation such as the opponent's marks possesses little inherent distinctiveness.

Based on the evidence adduced in this opposition, it is clear that the extent to which the trade-marks at issue have become known favours the opponent, the applicant having submitted no evidence relating to its use or making known of its trade-mark BENE FIT & Design in Canada. Further, the length of time the trade-marks at issue have been in use favours the opponent, the latter having commenced use of its BENEFICIAL trade-marks in Canada in association with its financial

services as early as 1976 whereas the present application is based upon proposed use of the trade-mark BENE FIT & Design in Canada.

The applicant's discount cards, debit cards, credit cards, identification cards and security cards differ from most of the services covered in the opponent's registrations although registration No. 440,650 for the trade-mark BENEFICIAL CREDIT SERVICES does cover "the provision of a credit card system by others to their customers". It is unclear as to the specific services being contemplated by this description although it would not appear that the opponent's trade-mark would be associated with credit cards or with the credit card system operated by persons other than the opponent. Further, the present application covers such services as administration, claims adjudication, information management, payment processing, eligibility verification, and employee data record keeping, all for employee benefit plans, and marketing services on behalf of benefit plan providers and distributors which bear no similarity to the services covered in the opponent's registrations. Having regard to the difference between the applicant's wares and services and the opponent's services, I would not expect there to be any potential overlap in the respective channels of trade of the parties.

As for the degree of resemblance between the trade-marks at issue, there is little similarity in appearance between the applicant's mark and the opponent's registered trade-marks. There is, however, some similarity in sounding between the trade-mark BENE FIT & Design and the registered trade-marks BENEFICIAL and BENEFICIAL & Design. Further, the trade-marks at issue convey similar ideas in that the applicant's mark suggests the idea of a benefit while the trade-mark BENEFICIAL suggests the idea of conferring a benefit. However, as noted above, the idea associated with the opponent's trade-mark BENEFICIAL is laudatory.

As a further surrounding circumstance in respect of the issue of confusion, the opponent submitted evidence of the results of various searches and investigations conducted by the affiants Peter Eliopoulos, Joanna Kotsopoulos and C. Anik Morrow. This evidence establishes that the word "benefit" is widely used *inter alia* in relation to employee or member benefit plans or programs and in relation to government assistance programs, as well as tax benefits. Thus, the applicant's

evidence supports the conclusion that the applicant's mark, when sounded, is descriptive of the character of at least the employee benefit plan services covered in the present application. However, this has already been taken into consideration when assessing the inherent distinctiveness of the trade-marks at issue.

Having regard to the foregoing and, in particular, to the the inherent weakness of the opponent's mark BENEFICIAL and to the differences in the wares and services of the parties and their respective channels of trade, and even bearing in mind that the opponent's trade-marks are fairly well known in relation to credit and loan-related services, I find that the applicant has met the legal burden upon it in respect of the issue of confusion and have therefore rejected the first ground of opposition.

The second ground is that the applicant is not the person entitled to registration of the trade-mark BENE FIT & Design in view of Paragraph 16(3)(a) of the ***Trade-marks Act*** in that, as of the filing date of the present application [July 19, 1995], the applicant's trade-mark was confusing with the trade-marks identified above, which had previously been used in Canada, as well as being confusing with the opponent's trade-names BENEFICIAL CREDIT SERVICE and LES SERVICES DE CREDIT BENEFICIAL which also had previously been used in Canada. There is an initial burden on the opponent in view of Subsections 16(5) and 17(1) of the ***Trade-marks Act*** to establish its use of its trade-marks and trade-names prior to the applicant's filing date, as well as to show that it had not abandoned its marks and names as of the date of advertisement of the present application [January 10, 1996].

Having regard to the Prentice affidavit, the opponent has established its prior use and non-abandonment of the trade-mark BENEFICIAL in association with the credit and loan-related services, the mark BENEFICIAL being the most relevant of the opponent's marks, as well as being the dominant element of all the trade-marks and trade-names relied upon by the opponent. Consequently, the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks at issue as of the applicant's filing date. Again, in determining whether there would be a reasonable likelihood of confusion between the trade-marks

at issue, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in Subsection 6(5) of the ***Trade-marks Act***. As noted previously, the opponent's trade-mark BENEFICIAL has a laudatory connotation and therefore possesses little inherent distinctiveness although the opponent's evidence establishes that the mark has become fairly well known in Canada in association with the credit and loan-related services. The applicant's trade-mark BENE FIT & Design possesses some minor degree of inherent distinctiveness due to the design features associated with the mark, but that the trade-mark had not become known to any extent in Canada as of the applicant's filing date.

As noted above, the applicant's wares differ from most of the opponent's services and the opponent's evidence does not establish that it has been directly or indirectly involved in the provision of credit card systems. Further, the applicant's services bear no similarity to the services rendered by the opponent. Moreover, and having regard to the difference between the applicant's wares and services and the opponent's services, I would not expect there to be any potential overlap in the respective channels of trade of the parties. Furthermore, there is little similarity in appearance between the applicant's mark and the opponent's BENEFICIAL trade-marks although there is some similarity in sounding and in the ideas suggested by the marks. However, as noted previously, the idea associated with the opponent's mark BENEFICIAL is laudatory.

Having regard to the foregoing and, in particular, to the the inherent weakness of the opponent's BENEFICIAL marks and to the differences in the wares and services of the parties and their respective channels of trade, and even bearing in mind that the opponent's trade-marks are fairly well known in relation to credit and loan-related services, I find that the applicant has met the legal burden upon it in respect of the issue of confusion as it relates to the non-entitlement ground and have therefore rejected the second ground of opposition.

The final ground is that the applicant's trade-mark is not distinctive since it is not adapted to distinguish the applicant's wares and services from the trade-marks and trade-names of the opponent which have been identified in the first two grounds. However, having concluded that the trade-

marks at issue are not confusing in relation to the Paragraphs 12(1)(d) and 16(3)(a) grounds, I likewise find the applicant's trade-mark not to be confusing with the opponent's trade-marks and trade-names as of the date of opposition, the material date for considering the non-distinctiveness ground [see ***Re Andres Wines Ltd. and E.&J. Gallo Winery***, 25 C.P.R. (2d) 126 (F.C.A.), at p.130; ***Park Avenue Furniture Corp. v. Wickes/ Simmons Bedding Ltd.***, 37 C.P.R.(3d) 412 (F.C.A.), at p. 424; and ***Molson Breweries, a Partnership v. Labatt Brewing Company Limited***, (Court No. T-162-96, dated June 25, 1998, yet unreported, at p. 25)]. As a result, this ground is also unsuccessful.

In view of the above, and having been delegated by the Registrar of Trade-marks pursuant to Subsection 63(3) of the ***Trade-marks Act***, I reject the opponent's opposition pursuant to Subsection 38(8) of the ***Trade-marks Act***.

DATED AT HULL, QUEBEC THIS 20th DAY OF OCTOBER, 1998.

G.W.Partington,
Chairperson,
Trade-marks Opposition Board.