

IN THE MATTER OF AN OPPOSITION  
by Ready Systems Corporation to  
application No. 638,970 for the  
trade-mark VERTEX filed by  
Financial Models Company Inc.

On August 22, 1989, the applicant, Financial Models Company Inc., filed an application to register the trade-mark VERTEX for the following wares:

a set of computer programs and software for trading of securities and for establishment of links for the purpose of the exchange of information between investors

and for the following services:

providing electronic access to a set of computer programs and software for trading of securities and for the analysis and reporting of security transactions and investments and for establishment of links for the purpose of the exchange of information between investors, investment managers, custodians and investment dealers.

The application was based on use of the trade-mark in Canada since June 9, 1986 for both the wares and the services. The application was advertised for opposition purposes on May 2, 1990.

The opponent, Ready Systems Corporation, filed a statement of opposition on August 31, 1990, a copy of which was forwarded to the applicant on September 14, 1990. On October 23, 1992, the opponent was granted leave to amend its statement of opposition pursuant to the provisions of Rule 42 of the Trade-marks Regulations. The grounds of opposition include, among others, that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Trade-marks Act because it is confusing with the opponent's trade-mark VRTX registered under No. 291,030 for the following wares:

prerecorded microprocessor programs on diskettes and integrated circuit chips.

The applicant filed and served a counter statement. Paragraph 3 of the counter statement reads in part as follows:

The Applicant has discontinued use in Canada of or never did use in Canada the trade mark VERTEX in association with Wares and, therefore, hereby withdraws that part of the Application....

However, the applicant did not file an amended application implementing that change.

As its evidence, the opponent filed the affidavit of Bruce Gregory. The applicant did not file evidence. Only the opponent filed a written argument and no oral hearing was conducted.

As for the ground of opposition based on Section 12(1)(d) of the Act, 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 applicant's trade-mark comprises the English word "vertex" which means the zenith or highest point. That word is therefore somewhat laudatory in relation to any wares or services. Thus, the applicant's mark is not inherently strong. There being no evidence from the applicant, I must conclude that its mark has not become known at all in Canada.

The opponent's trade-mark is a coined word although it would likely be pronounced as the English word "vertex." In fact, the opponent's evidence establishes that this is the way the opponent and its customers pronounce the opponent's trade-mark. Thus, the opponent's mark when sounded is also somewhat laudatory although less so when viewed. The opponent's mark therefore possesses a slightly greater degree of inherent distinctiveness than the applicant's mark. The opponent has only evidenced minor sales and advertising in association with its mark. I am therefore only able to conclude that the opponent's mark has become known to a very minor extent in Canada.

The length of time the marks have been in use clearly favors the opponent. The opponent's registered wares comprise computer software in the form of microprocessor programs on diskettes and chips. To date, it appears that the opponent has been manufacturing and selling specialized software in the form of computer operating systems. However, the statement of wares in the opponent's registration is not restricted solely to that form of software and there is no evidence to suggest that the opponent could not, or will not, expand into related areas. Furthermore, Exhibit 1 to the Gregory affidavit establishes that the opponent also provides support services in relation to its VRTX software.

The applicant's wares are computer programs and software apparently designed for the investment industry and its services are the provision of electronic access to those programs and software. In the absence of evidence from the applicant, I must conclude that the opponent's registered wares could include software designed for applications in the investment industry. In fact, Mr. Gregory states in paragraph 11 of his affidavit that the opponent's current VRTX products can be used by companies in many different fields including the financial field. It would therefore appear that the applicant's services could be used to access systems employing the opponent's software. In the absence of evidence from the applicant, I must also assume that a logical extension of the opponent's support services could be the provision of electronic access services similar to those of the applicant. Thus, the opponent's registered wares and the applicant's wares and services are related and there is a potential overlap in the trades of the parties.

As for Section 6(5)(e) of the Act, I consider there to be a high degree of resemblance between the marks at issue in all respects. In fact, when sounded, the marks are identical.

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 wares, services, trades and marks of the parties,

I find that the applicant has failed to satisfy the onus on it to show that its mark is not confusing with the opponent's registered mark.

The ground of opposition based on Section 12(1)(d) of the Act is therefore successful and the remaining grounds need not be considered. However, in passing, I wish to note that the statement of opposition includes a ground of non-compliance with Section 30(b) of the Act and it is clear from the applicant's admission in its counter statement noted above that such a ground would, at the very least, have been successful in relation to the wares contained in the applicant's application.

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

DATED AT HULL, QUEBEC, THIS 29th DAY OF December, 1993.

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