



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

Reference: 2014 TMOB 108
Date of Decision: 27/05/2014
TRANSLATION

**IN THE MATTER OF AN OPPOSITION
by Communauto Inc. against application
No. 1,493,890 for the trade-mark
COMMUNOLOFT in the name of 9021-
1988 Québec Inc.**

Introduction

[1] Communauto Inc. (the Opponent) opposes registration of the trade-mark COMMUNOLOFT (the Mark) covered by application No. 1,493,890 in the name of 9021-1988 Québec Inc. (the Applicant).

[2] This application, filed on August 27, 2010, covers the following statement of wares and services, as revised on April 8, 2011:

WARES

- (1) Book, specifically, brochure containing information regarding entrepreneurship.
- (2) Promotional items, specifically USB keys, boxes containing advertising flyers and advertising flyers.

SERVICES

- (1) Operation of a business centre offering the rental of closed or open-plan office space, conference rooms, reception rooms and office furniture; operation of a business

centre offering the provision of a receptionist, parking lots and telephone services and Internet access.

- (2) Operation of a web portal targeted at entrepreneurs.
- (3) Consulting service regarding the creation of businesses.
- (4) Provision of entrepreneurship training, specifically the giving of talks[.]
- (5) Organization and moderation of business networking events for entrepreneurs.
- (6) Distribution to third-parties of a periodical, specifically a newsletter focusing on entrepreneurship.
- (7) Publishing and distribution of a book, specifically a brochure containing information about entrepreneurship.

CLAIMS:

Used in Canada since at least as early as 2009 in association with the services (1).

Projected use in Canada in association with the wares and the services (2), (3), (4), (5), (6), (7).

(hereinafter sometimes collectively referred to as the Wares and Services).

[3] As it will stem from my analysis, the Opponent is basing its opposition on various grounds, all of which revolve around the issue of the likelihood of confusion within the meaning of the *Trade-marks Act*, RSC 1985, ch T-13 (the Act), between the Mark and the COMMUNAUTO trade-mark registered under No. 585956 or the Communauto Inc. and Communauto trade-marks, owned by the Opponent and previously used in Canada by the latter.

[4] For the reasons explained below, I believe there is reason to reject the application.

The file record

[5] The statement of opposition was filed on September 6, 2011. The Applicant filed a counter-statement denying each of the grounds of opposition pleaded

[6] In support of its opposition, the Opponent filed a statutory declaration from its president, Benoît Robert, dated May 22, 2012, and an affidavit by Johanne Montpetit, secretary at a firm of

trade-mark agents representing the Opponent in this file, also dated May 22, 2012, as well as a certificate of authenticity concerning registration No. 585956 for the COMMUNAUTO trade-mark.

[7] In support of its application, the Applicant filed a statutory declaration from its president and sole shareholder, Natalie Volland, dated September 20, 2012. Ms. Volland was cross-examined on her statutory declaration and the transcript of her cross-examination as well as the answers to the undertakings made during the latter were entered in the file record.

[8] Further to filing of the Applicant's evidence, the Opponent requested permission to file an amended statement of opposition in order to add to one of the grounds of opposition pleaded, specifically that based on the non-distinctiveness of the Mark, a reference to its trade-mark COMMUNOPOLIS. This permission was refused by the registrar on December 18, 2012.

[9] Each of the parties filed a written argument and was represented at the hearing held in this file.

[10] At the hearing, the Applicant requested permission to file additional evidence comprising an original affidavit by Margaret Miguel. The Opponent objected to this request for permission. For the reasons explained below, at the hearing, I refused to grant the permission requested.

Preliminary questions

Request for permission to file Ms. Miguel's affidavit as additional evidence

[11] This request for permission was made verbally at the hearing.

[12] More specifically, the Applicant explained that it was only on reading the Opponent's written argument that it had learned that the Opponent was calling into question the claimed date of first use of the Mark in this application for the services (1) described above. Although the Applicant may believe that none of the grounds of opposition pleaded by the Opponent in the statement of opposition in the file record related to non-compliance of the application within the meaning of section 30(b) of the Act (I will return to this point later), the Applicant nonetheless

wished to file Ms. Miguel's affidavit in order to avoid any negative inference being drawn as a consequence of Ms. Volland's cross-examination.

[13] Without going into detail of the hows and whys of Ms. Miguel's affidavit, the latter intended to file as exhibits "R 2-1" and "R 2-2", respectively, copies of screenshots showing the creation date of documents filed as commitments U-2 and U-11 further to Ms. Volland's cross-examination. It is important to stress here that although the documents filed as commitments U-2 and U-11 can take as their source documents created on the dates indicated in the screenshots in question, the versions of the documents filed as commitments U-2 and U-11 do not necessarily correspond to the original versions such as they existed on the creation dates in question. In other words, and as explained by the Applicant at the hearing, the documents filed as commitments U 2 and U-11 may have been modified since their initial creation date and in no way prove their content on the creation dates referenced in Ms. Miguel's affidavit.

[14] As indicated above, the Opponent objected to the Applicant's request for permission. However, during the pleading, it agreed to draw no negative inference with respect to the original creation date of the document filed as commitment U-11

[15] After discussion with the parties, I decided to refuse the Applicant's request for permission. Without going into detail of the circumstances having motivated this refusal, let it suffice to say that, as subsequently recognized by each of the parties at the hearing, neither of the exhibits "R 2-1" and "R 2-2" proved necessary in this file. There is no point in going back to the original creation date of the document filed as commitment U-2, since, in any event, the latter clearly refers to an event that occurred on October 28, 2009. In other words, it is possible to correctly place this document in time. There is also no point in going back to the creation date of the undertaking U-11, since, in any event, such a creation provides no assurance that the document filed as U-11 existed as such on that date.

[16] This leads me to rule on the second preliminary question, the scope of the ground of opposition pleaded under section 38(2)(a) of the Act.

Scope of the ground of opposition based on Section 38(2)(a) of the Act

[17] As indicated above, the Applicant believes that none of the grounds of opposition pleaded by the Opponent in its statement of opposition in the file record relates to non-compliance of the application within the meaning of section 30(b) of the Act.

[18] On the contrary, the Opponent submits that although the ground of opposition based on section 30(b) of the Act may not be “well articulated” in the statement of opposition in the file record, it does nonetheless stem from the latter. I do not agree.

[19] It is appropriate to reproduce the ground of opposition as pleaded in paragraph 1(a) of the statement opposition in the file record:

Firstly, the Opponent bases its opposition on the ground stipulated in section 38(2)(a) of the Act, in that the application did not meet each and all of the requirements of section 30, specifically that stipulated in paragraph (i) in that a statement had been inserted claiming that the Applicant was convinced that it was entitled to use the Mark in Canada in association with the wares described as "[(1) Book, specifically [...], (2) Promotional items, specifically [...]" (hereinafter the Wares "), and in association with services described as "1) Operation of a business centre, [...]; (2) Operation of a web portal [...]; (3) Consulting service [...]; (4) Provision of entrepreneurship training, [...]; (5) Organization and moderation [...]; (6) Distribution to third-parties [...]; and (7) Publication [...]" » (hereinafter the "Services"), and that the Applicant could not not have been convinced of such a right on the date of the application, the Applicant having an excellent knowledge of the Opponent's registered trade-mark [...]; and (ii) the Opponent's trade names [...] [...], well known[sic] in Canada; as well as (iii) their distinctiveness within the meaning of section 2 of the Act, the Applicant being unable from this fact to be convinced that it had the right to use the Mark in Canada, the whole constituting a ground of opposition pursuant to section 38(2)(a) of the Act. [my underlining]

[20] Such as it stems from this text, although the Opponent refers in the introductory paragraph of its ground of opposition “to each and all of the requirements of section 30,” the Opponent subsequently developed its ground of opposition based on non-compliance of the application within the meaning of section 30 of the Act in regard to paragraph 30(i) only. The Opponent in no way pleaded that the Applicant had not used the Mark as claimed in its application within the meaning of section 30(b) of the Act. As stipulated in section 38(3) of the Act, it is incumbent on the Opponent to plead such ground with sufficient detail so as to enable the Applicant to provide a response [see *Novopharm Ltd v. AstraZeneca* [2002] 219 DLR (4th) 290 (FCA); and *Imperial Developments Ltd v. Imperial Oil Limited* (1984), 79 CPR (2d) 12 (FCTD)].

[21] On this point, I will add that nothing in the Opponent's evidence filed by way of Mr. Robert's sworn declaration and Ms. Petit's affidavit would enable the Applicant to anticipate the approach adopted by the Opponent in its written pleading or at the hearing in regard to the ground of opposition based on section 30(b) of the Act. The fact that the Opponent, during Ms. Voland's cross-examination, may have questioned the latter on the use made of the Mark so as to situate such use in time and to measure its extent, could also not be interpreted as announcing and supporting such ground, all the more so since the Applicant objected, fairly, to the number of questions asked on this subject during this cross-examination.

[22] Accordingly, the scope of the ground of opposition pleaded under section 38(2)(a) of the Act is restricted to section 30(i) of the Act as pleaded by the Opponent in paragraph 1(a) of the statement of opposition in the file record.

The burden incumbent on the Parties

[23] It is initially for the Opponent to establish the well-foundedness of its opposition. However, the legal onus of showing that the Mark is registrable falls to the Applicant, according to the balance of probabilities [see *John Labatt Ltd v. Molson Companies Ltd* (1990), 30 CPR (3d) 293 (CF 1st. inst.); and *Dion Neckwear Ltd v. Christian Dior, SA et al.* (2002), 20 CPR (4th) 155 (FCA)].

Analysis

[24] As indicated above, all the grounds of opposition pleaded by the Opponent revolve around the issue of a likelihood of confusion between the Mark and the COMMUNAUTO trade-mark registered under No. 585956 or the Communauto Inc. and Communauto trade names owned by the Opponent and previously used in Canada by the latter.

[25] I will begin my analysis with the ground of opposition based on section 12(1)(d) of the Act, i.e. that the Mark is not registrable because it leads to confusion with the Opponent's registered COMMUNAUTO mark.

Ground based on the non-registrability of the Mark within the meaning of section 12(1)(d) of the Act.

[26] The relevant date for deciding on a ground of opposition based on the non-registrability of a trade-mark in regard to the confusion created with a registered trade-mark is the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)]. I exercised my discretion and checked that the registration claimed by the Opponent in support of this ground is still in effect on the trade-marks register. Since this is the case, the Opponent has met its initial incumbent burden of proof. The Applicant must now show, according to the balance of probabilities, that there is no risk of confusion between the Mark and this mark registered by the Opponent.

The test for confusion

[27] The test for confusion is that of first impression and imperfect recollection. According to section 6(2) of the Act, the use of a trade-mark creates confusion with another trade-mark when the use of both trade-marks in the same region would be likely to give the impression that the wares related to these trade-marks are manufactured, sold, leased or rented or that the services related to these trade-marks are leased or executed, by the same person, whether or not these wares or these services are in the same general category.

[28] In deciding whether these trade-marks create confusion, the registrar must take into account all circumstances in the case, specifically those listed in section 6(5) of the Act, i.e. a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; b) the period during which the trade-marks have been in use; c) the type of wares, services or enterprises; d) the type of business; e) the degree of similarity between the trade-marks in their presentation or sound, or in the ideas they suggest. This list is not exhaustive and different weight could be given to each of these factors, depending on the situation [see *Mattel, Inc v. 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v. Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC)].

The inherent distinctiveness of the trade-marks and the extent to which they have become known

[29] Both of the parties' marks have equivalent and relatively weak inherent distinctiveness in the context of the wares and/or services to which they are associated, given their suggestive or descriptive nature. I will return later to the ideas suggested by the marks under study when I consider the fifth factor in section 6(5) of the Act.

[30] However, I agree with the Opponent that the extent to which these trade-marks have become known clearly favours the latter, the whole as it stems from my review below of the evidence filed by the parties on this issue.

The Opponent's evidence introduced by way of Mr. Robert's statutory declaration

[31] Mr. Robert essentially states the following:

1. The Opponent was founded in Quebec on June 16, 1995 and has used the COMMUNAUTO trade name and trade-mark since this date in order to advertise and market its automobile sharing services. These services are described as "Very short-term vehicle rental (by the hour or the day)" in the trade-mark registration No. 585956 obtained by the Opponent [paragraphs 2, 3 and 6; exhibits P-1, P-2 and P-3 - copy of the constitution certificate issued by the Inspector General of Financial Institutions; excerpt from Quebec's Enterprise Register; and certified copy of registration no. 585956];
2. The COMMUNAUTO mark comes from the combination of the prefix "COMMUN" and the word "AUTO". Mr. Robert explains that this mark was created by him and his associates at the time, in order to express the community nature that resulted from the collective use of a tangible property that the Opponent offered to enable access to automobile mobility [paragraph 4];
3. The COMMUNAUTO mark is used in advertising and executing the Opponent's services, the whole as it appears in the following exhibits:
 - a) P-4.1: Samples of metal signs used to reserve space for the Opponent's vehicles, which display the Opponent's mark and its domain name *www.communauto.com*;

- b) P-4.2: List of vehicle stations and locations of key safes in the cities of Montreal, Quebec City, Gatineau and Sherbrooke;
- c) P-4.4: Various press releases issued by the Opponent;
- d) P-4.5: Samples of the Opponent's stationery, including business cards, envelopes, letterhead paper;
- e) P-4.6: Project analysis document "Auto + Bus", dated February 13, 2007, prepared by the company Tecresult, on behalf of the Opponent and Transport Canada;
- f) P-4.7: Annual reports for 2008, 2009 and 2010, including some of the Opponent's financial results and strategic analysis documents;
- g) P-4.8, P-4.9 and P-4.10: Various samples of the Opponent's advertising over time;
- h) P-4.11: Opponent's promotional document dated 1995;
- i) P-4.12: CD-ROM comprising copies of the Opponent's official newsletter ("Echo-Mobile") over the years, as well as various "Communopolis" community videos instituted by the Opponent
- j) P-4.13: Copy of a communication document concerning the "Communopolis" portal instituted by the Opponent and offering, among others, news and exclusive discussions about COMMUNAUTO and sustainable mobility;
- k) P-4.14: Photos of the Opponent's vehicles which display the Opponent's mark;
- l) P-4.15: Summary document from the Opponent's latest advertising campaign, including a feature in the Montreal metro paper "24 heures" and an advertising feature intended for television broadcast;

- m) P-4.16: General summary document presenting the Opponent and various aspects of its activities including growth statistics from 1995 to 2011, and progress in sales figures from 2000 to 2011;
4. For the year ending December 31, 2011, the sales achieved for services rendered under the Opponent's COMMUNAUTO mark exceeded \$500 million. The progress in the Opponent's sales is reproduced in a graph included in exhibit P-4.16 [paragraphs 8 and 9]; and
 5. on the signing date of the statutory declaration, the number of users of the Opponent's services was approximately 25,000, the number of vehicles approximately 12,000 and the number of stations approximately 370. The progress in these various data is reproduced in a graph included in exhibit P-4.16 [paragraph 10];
 6. the urban areas where the Opponent's services under the COMMUNAUTO mark are offered and the location details of stations in the Montreal and Quebec City areas are included in exhibit P-4.16 [paragraph 11];
 7. the Opponent has several strategic partners, including the cities of Montreal, Quebec City, Gatineau and Sherbrooke; Hydro-Québec; various transportation companies, including Agence métropolitaine de transport (AMT) and Société de transport de l'Outaouais (STO); Via Rail Canada; etc. [paragraph 12];
 8. the Opponent's clientele comprises essentially individuals (approximately 23,977 as at the date of signing its statutory declaration) and corporate clients (417, covering 1,277 drivers having access to the Opponent's vehicles) [paragraph 14]; and
 9. The Opponent holds several domain names and is present on the Internet, both by way of its website *www.communauto.com* and through social media including Facebook and Twitter [paragraphs 15 to 20; exhibit P-5 – evidence of domain name registrations secured by the Opponent; and exhibits P-6 to P-8 – copies of various pages taken from the sites in question].

[32] Moreover, Mr. Robert provided several personal opinions concerning the originality of the Opponent's COMMUNAUTO trade-mark and the extent of its recognition. Such personal opinions cannot serve as evidence, if only because Mr. Robert cannot be qualified as an expert in this case and also because they relate to issues of fact and law that fall under the jurisdiction of the registrar.

[33] In his statutory declaration, Mr. Robert also refers to recognition surveys conducted on the Opponent's COMMUNAUTO trade-mark by the company Ad Hoc Recherche inc. in Quebec City in 2007 and in Montreal in 2010 [paragraphs 7 and 13; exhibits P-4.3 and P-4.16]. I note that the Applicant raised no objections regarding the acceptance of these searches into evidence on the ground that it is hearsay. In any event, it should be noted that the Applicant itself conceded at the hearing, not once but twice, that it was not questioning the fact that the Opponent's COMMUNAUTO trade-mark was extremely well-known, at least in Montreal. Furthermore, I have no difficulty concluding from Mr. Robert's evidence as a whole discussed above in paragraph 31 of my decision, that the COMMUNAUTO trade-mark had become very well known in Quebec, at the very least in the cities of Montreal, Quebec City, Gatineau and Sherbrooke.

[34] In comparison, the Applicant's evidence leads me to conclude that the Mark had only been used to a certain extent, and for only a portion of the Services.

The Applicant's evidence introduced by way of Ms. Holland's statutory declaration and cross-examination

[35] Basically, Ms. Holland stated the following:

1. the Opponent is a real estate company incorporated in Quebec on May 31, 1995. It has held and managed real estate assets under the trade name Complexe Dompark since its incorporation [paragraphs 2 and 3, exhibit R-1 – copy of the constitution certificate issued by the Inspector General of Financial Institutions];
2. the Opponent has used the Mark since 2009, when it implemented a pilot project in its building located at 5524 St-Patrick, Montreal [paragraph 4];

3. the services offered in association with the Mark comprise the installation and operation of a business centre, including the rental of office space with shared access to conference rooms, reception areas, parking lots and telecommunications services. The Mark is also used in association with the organization of business networking events for entrepreneurs, and for the production of a newsletter and brochures. The Applicant plans to use the Mark in association with training programs intended for entrepreneurs, the organization of talks and various other services intended for entrepreneurs [paragraphs 6 and 9];
4. in regard more specifically to the manner in which the Mark is used by the Applicant, I note that Ms. Voland refers among others to the following exhibits:

- a) R-2: Excerpt from the <http://www.communoloft.com> website operated by Gestion immobilière Quo Vadis Inc. (Quo Vadis) of which Ms. Voland is also president and sole shareholder. Ms. Voland describes Quo Vadis as a company related to the Applicant, controlled and licenced by the latter for the purposes of using the Mark [paragraphs 12, 13 and 18, exhibit R-6 – copy of the incorporation certificate issued by Industry Canada, undertaking U-13 - copy of the licence contract signed between the Applicant and Quo Vadis]. Although Ms. Voland states in paragraph 7 of her statutory declaration that this website provides information on the Applicant's services, the excerpt provided does not truly enlighten us as to the nature of the services offered under the Mark;

- b) R-3: Excerpts of pages taken from social media, including Facebook, Twitter and LinkedIn, all referring to the Mark. Here again, the excerpts provided do not truly enlighten us as to the nature of the services offered under the Mark [paragraph 8];

- c) R-4: Photos of QR codes displayed on certain walls of the Applicant's business centres made available to its clients, which enable cellular phone users to access information related to the centres in question [paragraph 10];

- d) R-5: Copies of various documents, such as promotional inserts, business cards, brochures, information newsletters, etc. published by the Applicant or Quo

Vadis, displaying the Mark and describing the range of services offered in association with the latter. I will discuss in greater detail the nature of services offered under the Mark and the Applicant's business model, including its “strategic partners”, as described by Ms. Voland when I consider the third and fourth factors of section 6(5) of the Act;

5. As at the date of its statutory declaration, there were five COMMUNOLOFT business centres in operation in Canada, i.e. four in Montreal and one in Toronto. Two other centres were planned to open shortly in these same cities [paragraphs 14 and 15]. I note that these centres are referenced, with supporting photos, in some of the documents filed under exhibit R-5;
6. The Applicant, Quo Vadis and/or Ms. Voland have been the subject of some media coverage and have been seen giving out seven recognition awards during the period 2009 to 2012 [paragraph 16, exhibits R-7 and R-8]. On review of these exhibits, it is difficult to determine to whom the Applicant, Quo Vadis or Ms. Voland were giving these awards, or even the precise nature of these awards. However, considering the names of these awards, they seem to be related to the field of real estate management. It also stems from Ms. Voland’s cross-examination that these awards were related to the “Complexe Dompark” and, in a manner of speaking, the “COMMUNOLOFT” concept in that these awards were part of the Quo Vadis vision and mission described in one of the brochures filed under exhibit R-5, having the goal of: “Preserving and restoring the historic architectural value of major buildings; recycling and adapting these buildings to offer opportunities to entrepreneurs [...]; Promoting the growth and development of business, culture and the community.”

[36] Ms. Voland gave various personal opinions related, among others, to the originality of the Mark and the extent of its acquired recognition. She also spoke of the similarities or absence of similarities between the marks under study and began an argument concerning the absence of likelihood of confusion between the latter. With the exception of certain portions of her testimony relating to precise facts, i.e. the absence of cases of confusion between the marks under study having been made known to the Applicant, and the evidence regarding the state of

the register and the market in relation to trade-marks, domain names or business names commencing with the prefix “commun” discussed below in the analysis of additional circumstances having to be considered pursuant to the terms of section 6(5) of the Act, I do not intend to discuss all of the personal opinions given by Ms. Voland. As in the case of Mr. Robert, such opinions cannot serve as evidence and also because they relate to issues of fact and law that fall under the jurisdiction of the registrar.

[37] As indicated above, Ms. Voland was cross-examined on her statutory declaration. Without going into the detail of the questions asked by the Opponent's counsel and the objections raised by the Applicant's counsel, it stems from the transcript of the cross-examination that several of the questions asked entered into an unjustified degree of detail going as far as confidential information, such as, for example, the names of the Applicant's employees, a list of past and current clients, copies of commercial leases signed, etc. This said, the fact remains that it is difficult to determine the degree of recognition acquired by the Mark in association with the services discussed above given the lack of more explanations provided by Ms. Voland. Ms. Voland provided no sales or advertising figures in her statutory declaration, nor were any discussed in her cross-examination.

[38] As indicated above, the Applicant's COMMUNOLOFT business centres are located in five buildings, i.e. four in Montreal and one in Toronto. According to the compilation made by the Opponent's agent, and not contradicted by the Applicant at the hearing, it stems from Ms. Voland's cross-examination that these centres would have hosted all in all between 67 and 69 lessees. Although the Applicant's COMMUNOLOFT concept may enjoy a certain recognition, if it is assumed that the seven recognition awards listed in exhibit R-8 are indeed in one way or another related to the latter, such recognition seems nonetheless restricted to the field of commercial real estate. This, combined with the restricted number of the Applicant's lessees, leads me to conclude that the Applicant's Mark had become known only in a limited manner, and more specifically in Montreal.

[39] Accordingly, my overall assessment of this first factor, which is a combination of the inherent and acquired distinctiveness of the marks in question, favours the Opponent, given that its mark enjoys a far more significant acquired distinctiveness than the Mark.

The period during which the trade-marks have been in use

[40] Given my comments above, this factor also favours the Opponent.

Type of wares, services or enterprises and the nature of the business

[41] In considering the type of wares and services, and the nature of the business, I must compare the statement of wares and services covered by the application being opposed with the statement of wares and services covered by the registration(s) claimed in the statement of opposition [see *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v. Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. The evidence concerning the actual nature of the parties' businesses is useful in this regard [see *McDonald's Corp v. Coffee Hut Stores Ltd*, (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v. Hunter Packaging Ltd.* (1999), 2 CPR (4th) 266 (TMOB); and *American Optional Corp v. Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].

[42] I agree with the Applicant that the Opponent's very short-term vehicle rental services differ from the Applicant's Wares and Services, which revolve essentially around the operation of business centres offering the rental of office space and related or accessory wares and services.

[43] More specifically, it stems from Exhibit R-5 appended to Ms. Voland's statutory declaration that the COMMUNOLOFT business model offers four basic services, i.e.:

1. Turnkey office model: fully furnished and equipped office space;
2. Strategic partners: all necessary products and services at preferential rates;
3. Continuing training: talks and networking events to support the entrepreneur;
4. Focus on innovation: Communoloft™ is flexible and knows how to adjust to clients' needs and geographic and commercial specificities.

[44] However, the Opponent explains that the nature of the Applicant's and the Opponent's businesses is similar in that they share property in order to enable access to a larger number of clients while reducing the financial burden on each one.

[45] In effect, it stems from Ms. Voland's cross-examination and from Exhibit R-5 discussed above, that the Applicant's business model is based on the concept of a "business community." More specifically, the COMMUNOLOFT business model promotes an organic development of new enterprises through a support program that lowers risk by ensuring the lowest possible costs for its members. The four basic services described above assist newly formed companies to bypass the exorbitant expenses incurred during startup.

[46] Similarly, the "community" nature of the Opponent's services stems from the collective use of a vehicle offered on very short-term rental.

[47] The Opponent, in this respect, explains that the clientele targeted by the Applicant's Wares and Services, as well as the length of the relationship with this clientele are of the same type or overlap those of the Opponent. More specifically, the Opponent explains that, like itself, the Applicant offers its services both to individuals and to corporations [paragraph 20 of Ms. Voland's statutory declaration; answer to question 525]. Similarly, despite the fact that the Opponent's vehicle rental services are very short-term, Ms. Voland acknowledged the nature of the Opponent's long-term relationships with its clientele [answer to question 519]. She also acknowledged that in many cases, arrangements with "COMMUNOLOFT" services lessors were short-term. In fact, to repeat the Opponent's comments at the hearing, the parties are in the short-term to build for the long-term.

[48] The Opponent also explains that it stems from Ms. Voland's testimony that one of the Applicant's strategic partners is the vehicle rental company Discount Car Rentals "paragraph 17, Exhibit R-9 and answer to question 530]. She also noted that it stems from Ms. Voland's cross-examination that the Applicant had in the past approached the Opponent to ask the latter if it would be possible to install one of its vehicle stations in front of one of the Applicant's buildings [transcript, answers to questions 70 and 71]. I agree with the Opponent that this certainly confirms that the services offered by the Applicant and those offered by the Opponent can address the same clientele or a clientele that could reasonably overlap, as mentioned above. This

also confirms that the Opponent's services are part of complementary services offered by the "strategic partners" service offered by the Applicant.

[49] In closing this point, it is appropriate to recall that it is not necessary for the parties to work in the same general field or in the same industry or that their respective wares and services are of the same type or same quality for there to exist a likelihood of confusion. As indicated in section 6(2) of the Act, confusion can be created "whether or not the wares or services are of the same general class." Furthermore, as recalled by the Supreme Court in paragraph 72 of the previously cited *Masterpiece* case, the test for confusion must be based on the consumer's first impression: "What counts is the confusion that arises in the consumer's mind when seeing the trade-marks. It must not be deduced from the subsequent dissipation of the confusion on completion of in-depth search that it had never existed or that it would cease to exist in the mind of a consumer who had not conducted such searches." In other words, the fact of a consumer interested by the Applicant's services deciding to use them only after thoughtful reflection and signature of a contract does not necessarily imply that no confusion regarding the source these services may ever have existed in the consumer's mind.

[50] In summary, my overall assessment of these third and fourth factors leads me to conclude that the parties' wares and/or services and the nature of their respective businesses are not as distant as the Applicant claims them to be.

The degree of similarity between the trade-marks in the presentation or sound, or in the ideas they suggest

[51] I agree with the Opponent that there exists a certain degree of similarity between the parties' marks.

[52] In regard to sound, the marks have the same number of syllables and both begin with the element "communo"/"communau" pronounced in the same way.

[53] Regarding the visual aspect and the ideas suggested, the marks share the same "architecture" in that they both comprise an initial element evoking the word "community" or a

word in the same family, followed by a descriptive element in the context of the wares and/or services to which they are associated.

[54] Moreover, it clearly stems from Ms. Voland's cross-examination, as indicated above, that the Mark had been created so as to invoke the notion of a "business community." The Applicant would like to combine the French equivalent of the word "community" with the word "loft" since its office space (commercial lofts) offered for rental were located in Quebec. She believed that "Communiloft" *"didn't sound right"* [answers to questions 86-89, and 466-468]. Similarly, and as indicated above, it stems from Mr. Robert's testimony that the COMMUNAUTO Mark stems from a combination of the prefix "COMMUN" and the word "AUTO" so as to express the community nature of the Opponent's automobile rental services.

[55] On this point, the Applicant explains the fact that the Opponent's COMMUNAUTO mark evokes rather the notion of "like a car". This position of the Applicant is based on certain specimens of use of the COMMUNAUTO mark filed in evidence by Mr. Robert, showing a different font and colour than that used for the "comm" portion of the mark, which is detached from the "unauto" portion. In my opinion, this does not prevent the possibility of the Opponent's COMMUNAUTO mark from being perceived as referring in a fantasy manner to both the phrase "like a car" and the idea of a car shared by many. Moreover, the Applicant itself seems to concede this in both paragraphs 22 and 23 of Ms. Voland's statutory declaration and in her written pleading when she writes that the Opponent's mark is comprised of everyday words, "commun" and "auto". Furthermore, it is important to recall on this point that the Opponent's registered mark is not a design mark, but rather a nominal mark COMMUNAUTO, independently of any specific graphic.

[56] The Applicant also explains that the first element of each of the parties' marks is a word in frequent or common use, appearing in numerous trade-marks, whereas each of their second elements is suggestive of their respective services. In doing this, the Applicant sustains that it is this second element that is more important and distinctive. I disagree.

[57] As indicated above, the "auto" and "loft" elements are descriptive in the context of the services to which they are associated. In this, I believe that each of these elements cannot be considered as the dominant element of the marks under study, all the more so since they

constitute the last part of the mark. At best for the Applicant, none of the elements comprising the parties' marks could be considered as dominant with respect to the other when they are considered as a whole.

[58] This brings me to discuss the evidence regarding the state of the register and the market in regard to the element "commun".

Additional circumstances

The evidence regarding the state of the register and the market

[59] Ms. Voland explains in her statutory declaration that the fact of combining the word "commun" with another word is not original and does not stem solely from the Opponent but consists rather in a widespread practice.

[60] More specifically, Ms. Voland lists in paragraph 24 of her statutory declaration, some fifteen trade-marks appearing on the trade-marks register. On review of the details of the registrations or related registration applications, appended hereto as Exhibit R-10, I note that some of these registrations have been expunged or that some of these applications have been abandoned or were not accepted for registration. The following registrations are still in effect:

- COMMUNI-BUS - registered in association with "*Public bus transportation*";
- CommuniCancer registered in association with "*Computer services, namely emotional support services for people affected by cancer, [...] Providing on-line information concerning cancer through a website [...]*";
- COMMUNICARE - registered in association with "*Newsletter for churches and other nonprofit entities [...]*"
- COMMUNICAST registered in association with "*Hosting and management of meetings, seminars and conferences for others via a global computer network [...]*";
- COMMUNIGEN - registered in association with "*Provision of information and documentation through a website with respect to the ethical, legal and social issues raised by human genetic research*";
- COMMUNIMAX - registered in association with "*Print production management and coordination services for promotional, advertising, direct mail, sales [...]*"
- COMMUNISIS - registered in association with "*Printed matter namely, stationery, namely business forms, [...] Compilation of documents, direct mail services for others, the preparation and forwarding of written communications for others [...]*"

- COMMUNI-T Design - registered in association with "*Application software enabling the development and management of easily accessible and configurable software interfaces [...]*";
- COMMUNIVERS - registered in association with "*Printed promotion material [...]*"

[61] The evidence regarding the state of the register is relevant only insofar as one can draw conclusions from it concerning the state of the market, and conclusions regarding the state of the market can only be drawn if a large number of relevant registrations are identified [see *Ports International Ltd v. Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v. Del Monte Corp* (1992), 44 CPR (3d) 205 (FC 1st inst); and *Maximum Nutrition Ltd v. Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[62] In this case, I believe that the evidence regarding the state of the register does not significantly assist the Applicant. There are only a modest number of registrations listed above and they seem to focus more on the truncation of the word "communautaire" as such, if one is to rely on the context of the wares and/or services to which they are associated.

[63] Ms. Voland moreover lists eight trade names appearing on Quebec's Enterprise Register, and has appended as exhibit R-11, the relevant entries from the Quebec Enterprise Registrar, i.e.:

- Communauthé Arts Café - in association with "*Café bistro/tea room, location for artistic activities and parties*";
- Communaut'Aide - for which the activity sectors are not specified;
- Communautel Inc. - in association with telecommunication services;
- Communo-Terres - for which the activity sectors are not specified;
- Les plateaux Commun'Ô'Terre - in association with "*planning, managing and coordinating socio-economic development of the communit [sic] to promote respect for ecological rules and environmental protection*"
- Communau-thé - in association with " «*A store that provides a play area for infants and babies while their parents go shopping, have a coffee with friends or work on-site;*»"
- Communauttech - in association with "*repair or maintenance of computer hardware*"
- Communo Gym - in association with "*physical training centre*"

[64] Ms. Voland also lists eleven websites, blogs and e-mail addresses and appends related webpage printouts as exhibit R-12, i.e.:

- Collectif Communauterre
- Fête communauTERRE
- Communauterre – Indymedia-Québec
- communauterre@hotmail.com
- Association communauterre
- Communautel
- Communo Phone
- Communautech
- Communo Gym
- Corp de Developpement Communau

[65] On review of exhibits R-11 and R-12, it seems that some of the trade names listed under R-11 are found under R-12, for example "Communo Gym," "Communautel" and "Communautech." The first four references listed under R-12 seem to relate to the same organization and possibly the company Communo-Terres referenced under R-11, although it is not possible to be certain given the little information provided by exhibits R-11 and R-12. Regarding the references listed under R-12 concerning "Association communauterre" and "Communo Phone," they seem to draw their respective sources from French and U.S. sites having no activity in Canada.

[66] In any event, I believe the evidence filed under exhibits R-11 and R-12 to be too fragmentary to draw any inference that could significantly assist the Applicant. In the absence of additional information making it possible to assess the nature and extent of use of the trade names or other designations referenced under R-11 and R-12, I believe the number of them to be insufficient in itself to draw any inference regarding the state of the market in regard to the prevalence of trade names comprising a prefix "communau"/"communo" combined with another suffix.

The coexistence of the marks under study

[67] In paragraph 21 of her statutory declaration, Ms. Voland remarks upon the absence of cases of confusion between the parties' marks despite their coexistence in Canada since 2009.

[68] As indicated in the *Dion Neckwear* case cited above:

“[TRANSLATION] In regard to the insufficiency of elements of evidence presented by the Opponent concerning concrete cases of confusion, the registrar was of the opinion that an

Opponent did not have to submit this type of evidence. This is true in theory, but when the applicant has presented certain elements of evidence that could make it possible to conclude in the absence of risk of confusion, the opponent runs a significant risk if, in relying on the burden of proof incumbent on the applicant, it presumes that it does not have to file evidence on the subject of confusion. Although the issue that has to be resolved is that of knowing whether there exists “a risk of confusion” and not an “actual confusion,” or “concrete cases of confusion,” the absence of “actual confusion” is a factor to which the courts grant significance when ruling on the “risk of confusion.” A negative inference can be drawn when the evidence shows that the simultaneous use of two marks is significant and that the Opponent has submitted no element of evidence tending to show the existence of a confusion. (See the decision *Pink Panther [Beauty Corp. v. United Artists Corp.* [1998], 80 C.P.R. (3d) 247 (FCA)]; *Multiplicant Inc. v. Petit Bateau Valton S.A.* (1994), 55 C.P.R. (3d) 372 (F.C. 1st. inst.); *Bally Schuhfabriken AG/Bally’s Shoe Factories Ltd. v. Big Blue Jeans Ltd.* (1992), 41 C.P.R. (3d) 205 (F.C. 1st. inst.); *Mon sport Inc. v. Vêtements de Sport Bonnie (1978) Ltée* (1988), 22 C.P.R. (3d) 356 (F.C. 1st. inst.)).

[69] In this case, although I agree with the Applicant that the latter has shown use of the Mark with a portion of its Services in Montreal, I find it difficult to qualify such use as significant. As indicated above, the number of the Applicant's lessees seems to be restricted to some 67 or 69. In the absence of greater detail regarding the extent of use and the advertising of the Mark, I am not prepared to grant significant weight to the coexistence of the marks in this case.

The Opponent's use of the COMMUNOPOLIS mark

[70] The Opponent mentioned, as an additional circumstance, its use of the COMMUNOPOLIS mark. As indicated above, the COMMUNOPOLIS mark is not pleaded as such in the statement of opposition in the file record. Regardless, I believe that it is not necessary for me to rule on the well-foundedness of the Opponent's representations made in regard to this trade-mark in order to conclude in its favour in this file.

Conclusion – likelihood of confusion

[71] As indicated above, the test for confusion consists in asking whether an individual with an imperfect recollection of the Opponent's mark could conclude, on the basis of a first impression, that the Applicant's Wares and Services associated with the Mark come from the same source or are otherwise related to or associated with the Opponent's services.

[72] Given my analysis above, I believe that at best for the Applicant, the balance of probabilities is equal between (1) the absence of a likelihood of confusion given the existing differences in the intrinsic nature of the parties' wares and services and (2) the likelihood of confusion given that (i) the Opponent's mark has become extremely well known in Quebec at the very least in the cities of Montreal, Quebec City, Gatineau and Sherbrooke, whereas I can only conclude at most that the Applicant's Mark has become known only to a limited extent, and more specifically in Montreal, (ii) that the Opponent's mark has been used for over fifteen years, i.e. since 1995, whereas the Mark has been used at most since fall 2009, and for a portion of the Services only, (iii) that there exist certain similarities between the parties' marks, specifically in that they share the same "architecture," and (iv) that the Opponent's services are part of the complementary services aspect provided by the "strategic partners" service offered by the Applicant.

[73] Accordingly, I conclude that the Applicant has not met its legal onus of establishing, according to the balance of probabilities, that there is no risk of confusion between the Mark and the Opponent's COMMUNAUTO mark.

[74] I accept the ground based on the non-registrability of the Mark within the meaning of section 12(1)(d) of the Act.

Ground of opposition based on non-distinctiveness of the Mark

[75] To meet its initial burden of proof in regard to non-distinctiveness, the Opponent must show that its COMMUNAUTO trade-mark had become sufficiently known in Canada on the date of the statement of opposition, i.e. September 6, 2011 such as to deny the distinctiveness of the Mark [see *Motel 6, Inc v. No. 6 Motel Ltd* (1981), 56 CPR (2d) 44 (CF 1st. inst.); and *Bojangles' International LLC and Bojangles Restaurants Inc v. Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC, 1st inst.)].

[76] As it stems from my review above of Mr. Robert's statutory declaration, this burden has been met by the Opponent.

[77] Since the Opponent has met its initial incumbent burden of proof, the Applicant must now show, according to the balance of probabilities, that on the filing date of the statement of opposition, there was no risk of confusion between the Mark and this one of the Opponent's marks.

[78] Having previously concluded in the probability of confusion pursuant to the ground of opposition based on section 12(1)(d) of the Act and since the difference between the relevant dates has no impact on my previous analysis, I accept the ground of opposition based on the absence of distinctiveness within the meaning of section 2 of the Act.

Other grounds of opposition

[79] As I have already concluded in favour of the Opponent on two of the grounds of opposition pleaded, I believe it is not necessary to examine the other grounds of opposition.

Decision

[80] In exercising the authority delegated to me pursuant to subsection 63(3) of the Act, I reject the application pursuant to section 38(8) of the Act.

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office
Traduction certifiée conforme

Traduction certifiée conforme
Alan Vickers