IN THE MATTER OF AN OPPOSITION by Videotron Ltd. to application No. 1,161,940 for the trade-mark ILLICO Design, filed by Illico Informatique Inc.

# I The pleadings

On December 11, 2002, Illico Informatique Inc. (the "Applicant") filed application number 1,161,940 for the registration of the trade-mark ILLICO Design as illustrated below:



(the "Mark").

This application is based on the use in Canada since at least as early as October 17, 1998, by the Applicant's predecessor in title, and by the Applicant itself since June 14, 2002, in association with:

[TRANSLATION] (1) Advice, information and business information, namely advice to third parties regarding the design of sites on a worldwide computer network for the exchange and broadcast of a wide range of information. (the "Services") (2) Communications, namely electronic transmission of data and documents using computer terminals on a worldwide computer network, namely the electronic transmission of judgments, electronic transmission of summaries of judgments, electronic transmission of law reports, electronic transmission of law journals, electronic transmission of articles on the law, electronic transmission of pre-recorded informational audiovisual vignettes on the law, broadcast of television programs on the law.

On June 21, 2004, Videotron Ltd. (the "Opponent"), filed a statement of opposition, which the Registrar forwarded to the Applicant on August 19, 2004.

On December 17, 2004, the Applicant filed a counter statement denying all grounds of opposition.

The Opponent filed in evidence the affidavit of Claude Sauvé, while the Opponent filed the affidavit of Jean-Yves Côté, who was cross-examined on his affidavit.

The parties filed written arguments, and an oral hearing was held at which they were represented.

### **II Statement of opposition**

The grounds of opposition may be summarized as follows:

- 1. The application for registration does not conform to the requirements of sections 38(2)(*a*) and 30(*a*) and (*b*) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act"), in that:
  - i. the application does not contain a statement in ordinary commercial terms of the specific wares or services in association with which the Mark has been used:
  - ii. the Mark was not used as a trade-mark in association with the Services on the date alleged in the application for registration;
- 2. The Mark is not distinctive because it does not distinguish the Services from the services of others.

# III <u>Interlocutory decision of the Registrar and decisions made by the parties during</u> the proceedings

During the proceedings, the Applicant requested to correct a [TRANSLATION] "clerical error" so that the various dates of use alleged in the application for registration would be read in accordance with two distinct paragraphs in the description of the services. In a decision dated June 14, 2006, the Registrar refused this request for amendment because it was contrary to rule 32(b) of the *Trade-mark Regulations*.

In its written argument, the Applicant abandoned its application to register the following services:

Communications, namely electronic transmission of data and documents using computer terminals on a worldwide computer network, namely the electronic

transmission of judgments, electronic transmission of summaries of judgments, electronic transmission of law reports, electronic transmission of law journals, electronic transmission of articles on the law, electronic transmission of pre-recorded informational audiovisual vignettes on the law, broadcast of television programs on the law;

so that only the Services remained.

At the beginning of the oral hearing, the Applicant raised the admissibility of the content of Mr. Sauvé's affidavit. There is no need to elaborate on the grounds for this objection because the Opponent decided to withdraw this affidavit from the record. Accordingly, its content is no longer part of the evidence on record.

#### IV Analysis of the grounds of opposition

The Applicant bears the legal onus of establishing that its application for registration complies with the Act, but the Opponent has the initial burden to adduce evidence to support each ground of opposition. If the Opponent discharges this burden, it is up to the Applicant to prove on a balance of probabilities that the grounds of opposition do not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. and others v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325, p. 329-330, *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005 FC 722].

The relevant dates for the analysis of the grounds of opposition vary depending on the ground, as follows:

- Failure to comply with a provision of section 30 of the Act: the filing date of the application for registration (December 11, 2002) [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 and *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293];
- The distinctiveness of the Mark: the filing date of the statement of opposition (June 21, 2004) is generally accepted as the relevant date [see *E. & J. Gallo Winery v.*]

Andres Wines Ltd. (1975), 25 C.P.R. (2d) 126, p. 130; [1976] 2 F.C. 3 (F.C.A), and Metro-Goldwyn-Mayer Inc v. Stargate Connections Inc., 2004 FC 1185 (F.C.T.D.)].

## i) Ground of opposition based on section 30(a) of the Act

In its written argument, the Opponent only deals with the description of the services that were the subject of an abandonment during the proceedings. At the oral hearing, this ground of opposition was not argued with regard to the Services. Moreover, it is the Opponent who has the initial evidentiary burden. There is no evidence on record supporting this ground of opposition. It is therefore rejected.

# ii) Ground of opposition based on section 30(b) of the Act

As mentioned above, the Opponent has no evidence on record. However, when it contests the fact that the Mark was used from the date of first use alleged in the application for registration, it may discharge its initial evidentiary burden by referring to the evidence adduced by the Applicant [see *Labatt Brewing Company Limited v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 at page 230]. This evidence must cast a serious doubt on the affirmations in the Applicant's application for registration [see *Hearst Communications Inc. v. Nesbitt Burns Corp.*, (2000) 7 C.P.R. (4th) 161]. The lack of evidence on record of the use of the Mark is not sufficient in itself to discharge the Opponent's initial evidentiary burden [see *Parmalat Food Inc. v. Sun World International Inc.* (2006) 50 C.P.R. (4th) 283 (TMOB)].

The Opponent referred to the evidence filed by the Applicant to argue that it actually did discharge its initial evidentiary burden. Accordingly, immediately below, I will describe the relevant evidence on this subject.

Mr. Côté describes himself as the founding president and sole shareholder of the Applicant, Illico Communication Inc. It is important to note that during his cross-examination it was established that Mr. Côté is a lawyer by training. He personally incorporated the Applicant in 1990 under the name of Illico Informatique Inc., but we do not have any documentary evidence to establish a

precise date. However, this lack of evidence will not have any impact on my decision. Illico Informatique Inc. changed its corporate name to Illico Communication Inc. According to the trade-marks register, this change took place on or about December 23, 2003.

On June 13, 2002, an agreement was reached between Illico Informatique Inc. and Andréanne Grondin, doing business under the corporate name of !llico, by which she agreed to assign to Illico Informatique Inc. [TRANSLATION] ". . . all rights of ownership, namely intellectual property in the corporate name !llico and the domain name illico.net . . .". The parties signed an agreement of sale and assignment on June 14, 2002. I note that nowhere in this agreement is a trade-mark !LLICO mentioned. Instead, reference was made to the !ILLICO trade name and the domain name previously identified (see Exhibit R-6).

Exhibit R-14 in Mr. Côté's affidavit is an extract from the Quebec enterprise register, better known as CIDREQ, in which it appears that Ms. Grondin began using the !llico corporate name on October 5, 1998, and ceased using it on July 17, 2002. This extract mentions that Ms. Grondin's economic activities consisted of the management of Web sites and the development of Internet applications. This document does not establish the use of a trade-mark within the meaning of section 4(2) of the Act [see *Optagest Canada Inc. et al. v. Services Optométriques Inc.(S.O.I.) et al.* (1991), 37 C.P.R. (3d) 28 at page 35].

The Opponent's arguments are as follows:

- ➤ To have the benefit of a date of first use of October 17, 1998, the Applicant had to acquire the !LLICO trade-mark and its goodwill since that date and not simply the !LLICO corporate name;
- ➤ Even though the !LLICO trade-mark was been assigned, Ms. Grondin and/or the Applicant never used !LLICO as a trade-mark, let alone in association with the Services.

In its arguments, the Applicant replies that it did not want to burden the assignment document with Ms. Grondin, especially since the Mark was not registered and the goodwill was

intrinsically linked to the address of the domain name acquired at that same time. This is testimony, and there is no evidence on record on this subject.

Mr. Côté represented his company when the documents were signed. He has legal training, and it was his company that purchased the rights to the !llico corporate name and the illico.net domain name. If he intended to acquire the !llico name as a trade-mark, he could have done so and included it in the assignment agreement, ensured that it had been used as a trade-mark in association with the Services and included the goodwill associated with this trade-mark in the assignment agreement. If the Applicant did not acquire these rights, it certainly cannot base the present application on use previous to its own.

Even if it were possible to conclude that the assignment agreement signed by the parties implicitly assigned the Mark, it remains to be seen whether Ms. Grondin used the Mark <u>as a trade-mark</u> in association with the Services. "Use of a trade-mark" must not be confused with "use of a corporate name". A trade-mark may also be a party's corporate name. A trade-mark used in association with services is designed to help consumers distinguish the services offered by one party from the services offered by a third party, while a corporate name is only used to designate an entity, no matter what its commercial activities may be.

As evidence of Ms. Grondin's use of the Mark in association with the Services, the Applicant referred to the following exhibits:

- ➤ R-7: excerpts from the Web site of the predecessor in title of the Applicant;
- ➤ R-8: excerpts from the Web site of the predecessor in title of the Applicant, dated February 12, 1999, and April 1, 2001, as retrieved from an archive site;
- ➤ R-9: portfolio providing a list of Web sites developed by the predecessor in title of the Applicant in association with the Mark, as retrieved from an archive site.

I do not consider that these documents establish use of the Mark <u>as a trade-mark in association</u> <u>with the Services.</u> First of all, exhibits R-7 and R-9 are not dated, and it is impossible to determine whether they existed on the relevant date (December 11, 2002). In addition, although the Mark is mentioned in Exhibit R-7, it is used as a corporate name and not as a trade-mark. For

example, it is mentioned that [TRANSLATION] "!llico is a computer company . . .". There is also the reference [TRANSLATION] "Our specialty." As for the references to !llico in exhibits R-8 and R-9, the Applicant admitted at the oral hearing that they had been generated by the archive site. However, the explanations given by the Applicant about the origins and content of these documents are evidence, and I cannot accept them as part of the arguments. There is another indication that the term !llico was used as a corporate name and not as a trade-mark in association with the Services: it is found immediately below a civic address.

In conclusion, the evidence shows that the assignment of rights concluded between the Applicant and Ms. Grondin was limited to a corporate name and a domain name. Therefore, it is impossible in the circumstances for the Applicant to claim, on the basis of this assignment, that the date of first use of the Mark in association with the Services is October 17, 1998. Even if there were such an assignment, Ms. Grondin did not use the Mark as a trade-mark to identify the Services.

Therefore, the Opponent has discharged its initial evidentiary burden. Accordingly, the Applicant had the burden of proving, on a balance of probabilities, that the Mark had been used as a trademark since the date of first use alleged in its application for registration. The Opponent did not discharge its evidentiary burden. Therefore, I allow ground of opposition 1(a), described above.

#### iii) Lack of distinctiveness of the Mark

I will reproduce the wording of the ground opposition as it appears in the Opponent's statement of opposition:

[TRANSLATION] The Opponent bases its opposition on section 38(2)(d), in that the mark !LLICO Design is not distinctive within the meaning of section 2 because it does not actually distinguish the Applicant's services as described in application for registration No. 1,161,940, from the services of others.

We know that the Opponent has not filed any evidence. Therefore, it did not discharge its initial

evidentiary burden. In addition, as drafted, this ground of opposition is vague and ambiguous and

lacks any evidence that could shed some light on this subject [see Novopharm v. AstraZeneca AB

et al. (2002), 21 C.P.R. (4th) 289]. It cannot be a valid ground of opposition. Moreover, no

mention was made of these [TRANSLATION] "others" anywhere else. Therefore, I reject this

ground of opposition.

V Conclusion

Having been delegated authority by the Registrar of Trade-marks under section 63(3) of the Act,

and pursuant to section 38(8) of the Act, I reject the Applicant's application for registration of

the Mark in association with the Services.

DATED AT BOUCHERVILLE, QUEBEC, THIS 19TH DAY OF DECEMBER 2008

Jean Carrière,

Member, Trade-marks Opposition Board

Certified true translation Michael Palles

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