

Services:

1) Financial services, namely credit services, namely term loans, revolving operating lines of credit, structured finance, syndicated loans, bilateral lending, club deals, project financing and letters of credit; cash management services, namely account reconciliation, cash concentration, transfers between differing financial institution accounts, electronic funds transfer, foreign exchange, electronic funds transfer, government remittances, notional pooling, payment network, fixed date deposit investment; derivatives services, namely commodity, interest rate, equity, credit and currency forwards, swaps and options, including the exchange of a fixed or variable rate, index or price for a variable or fixed rate, index or price; business consulting, management and acquisition services; (2) Internet services consisting of financial services rendered via a global information network, namely, credit services, term loans, revolving operating lines of credit, structured finance, syndicated loans, bi-lateral lending, club deals, project financing; cash management services, namely account reconciliation, cash concentration, electronic funds transfer, foreign exchange, providing lockbox services, notional pooling, payment network, derivatives services, namely commodity, interest rate, equity, credit and currency forwards, swaps and options, including the exchange of a fixed or variable rate, index, or price for a variable or fixed rate, index or price

[2] Application No. 1,578,828 was advertised on May 15, 2013, and opposed on October 15, 2013, and application No. 1,578,823 was advertised on July 24, 2013 and opposed on December 18, 2013. The grounds of opposition for each application, set out under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), are as follows: non-compliance with section 30(b), non-registrability under section 12(1)(d), non-entitlement under section 16(1), and non-distinctiveness under section 38(2)(d) and section 2. The final three grounds of opposition turn on a determination of the likelihood of confusion between each of these Marks and the Opponent's previous use and making known of its registered GOODWILL marks TMA544,182; TMA727,559; TMA629,838; and TMA629,410 (see Schedule A).

[3] In support of its opposition in each case, the Opponent filed the affidavits of Kim Zimmer, Debbie Aquino and Emily Norman. A second affidavit of Ms. Zimmer was also filed in application No. 1,578,828.

[4] As its evidence in each case, the Applicant filed the affidavits of Arthur M. Szabo and David M. Yerkes.

[5] None of the affiants were cross-examined.

[6] Both parties filed a written argument in each case.

[7] An oral hearing for both oppositions was held at which both parties attended.

Preliminary Issues

Admissibility of the Szabo Affidavit

[8] In each case the Opponent has raised objections regarding Mr. Szabo's evidence. Mr. Szabo is the Director and President of Satori Corporation (the original applicant) and the present Applicant, as well as a lawyer at the firm representing the Applicant. Mr. Szabo's affidavit, for the most part, describes the chain of title of the applied for Marks.

[9] The Opponent submits that Mr. Szabo's evidence is hearsay because some of his statements are based on belief, the exhibits are not stated to be business records (and would largely not qualify as such in any event), and it is not clear how Mr. Szabo has personal knowledge of the documents. In addition, the Opponent argues that introducing evidence through Mr. Szabo is contrary to the *Cross-Canada Auto Body* decision as Mr. Szabo is a lawyer at the firm representing the Applicant. However, *Cross-Canada Auto Body* was concerned with "opinion evidence on the most crucial issues in the case", which is not the type of evidence that Mr. Szabo has introduced. The evidence introduced by him are documents that are, for the most part, between the Applicant and its predecessor. In these circumstances, it seems inappropriate to disregard them on the basis of either hearsay or the principles enunciated in *Cross-Canada Auto Body*. Further, as noted by the Applicant, the Opponent did not exercise its right to cross-examine Mr. Szabo.

[10] The Opponent has also suggested that the assignment document attached to his affidavit is not reliable. In this regard, the Opponent notes that the assignment document attached to his affidavit is different from the one contained in the file wrapper for each file (which was filed as part of the evidence of Ms. Aquino in each case). The Applicant explains that the assignment document filed with the Registrar referred only to the trade-marks at issue while the document attached to Mr. Szabo's affidavit referred to all of the intellectual property assets of the Applicant.

[11] I note that both assignment documents are dated and signed on July 3, 2012. Further, the assignment was from Arthur M. Szabo, the President of the original applicant to Vedett IP Corporation, a corporation which he states he is also the President of. In my view, since the assignment document introduced by Mr. Szabo was between the present Applicant and its predecessor-in-title, I consider that the contents of it would be within the Applicant's knowledge. I therefore am prepared to consider the evidence of Mr. Szabo in each case.

[12] In the event that I am wrong to have considered the documents introduced by Mr. Szabo, then I note that if I had treated them as inadmissible the outcome of the proceeding would not have differed.

Admissibility of the Yerkes Affidavit

[13] In each case the Opponent has also objected to the affidavit of Mr. Yerkes. Mr. Yerkes is a professor of English at Columbia University in the United States. The Opponent submits that his affidavit is irrelevant in many respects, not necessary, argumentative, and beyond the expertise of the expert on certain issues. The Opponent therefore takes the position that the affidavit is inadmissible in whole or in part.

[14] The Supreme Court of Canada has stated that the following four requirements must be met before expert evidence is accepted: relevance, necessity in assisting the trier of fact, the absence of any exclusionary rule and a properly qualified expert [see *R v Mohan* [1994] 2 SCR 9; *White Burgess Langille Inman v Abbott and Haliburton Co* 2015 SCC 23]. With respect to necessity, more recently the Court has stated that an expert should not be permitted to testify if their testimony is not likely to be outside the experience and knowledge of a judge [*Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC)].

[15] In each case, based on a review of Mr. Yerkes curriculum vitae (Yerkes, Exhibit A), I am satisfied that Mr. Yerkes is qualified as an expert in the English language. However, I do not consider that all of his evidence in the present case is outside the experience and knowledge of a judge. In this regard, Mr. Yerkes has provided four volumes of exhibits which primarily explore the meaning of the word GOODWILL. In view that I can take judicial notice of a Canadian dictionary definition for the word GOODWILL [see *Tradall S.A. v Devil's Martini Inc.* (2011),

92 CPR (4th) 408 (TMOB) at para 29] I do not consider numerous other definitions and evidence regarding the history of this word to be necessary or relevant. I have therefore given reduced weight to Mr. Yerkes affidavit in each case.

Grounds of Opposition

Section 30(b) – Non-compliance

[16] The material date for considering the circumstances with respect to this ground of opposition is the filing date of the application [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB)], which is the same in each case (i.e. May 23, 2012).

[17] While the legal burden is upon the applicant to show that its applications comply with section 30 of the Act, there is an initial evidential burden on the opponent to establish the facts relied upon by it in support of its section 30 ground [*Joseph E Seagram & Sons Ltd v Seagram Real Estate Ltd* (1984), 3 CPR (3d) 325 at 329 (TMOB); and *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD)]. With respect to section 30(b) in particular, it has been held that the evidential burden on the opponent is less than in the ordinary case because while the opponent has “opportunities of knowledge”, the relevant facts pertaining to a ground of opposition based on section 30(b) of the Act are more readily available to the applicant [*Tune Master v Mr P’s Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB)].

[18] The opponent can meet its initial burden under section 30(b) by reference not only to its own evidence but also to the applicant’s evidence [*Labatt Brewing Company Limited v Molson Breweries, a Partnership* (1996), 68 CPR (3d) 216 (FCTD) at 230]. In cases where an opponent has relied upon the applicant’s evidence in order to meet its evidential burden for a section 30(b) ground of opposition, the Federal Court has instructed that the opponent may successfully rely upon the applicant’s evidence to meet its initial burden if the opponent shows that the applicant’s evidence puts into issue the claims set forth in the applicant’s application [*Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd*, 2014 FC 323 at paragraphs 30-38 (CanLII)].

[19] The Opponent’s section 30(b) ground in each case is pleaded as follows:

The application does not comply with subsection 30(b) of the Act in that the alleged trade-mark has been used in Canada in association with the applied for wares and services since November 17, 2011, as claimed in the application.

[20] The Opponent has presented two arguments under this ground. First, the Opponent submits that the printout of the Applicant's website attached to Mr. Szabo's affidavit as Exhibit B shows that the company who appears to be using the Marks is CEIBA GROUP and not the Applicant of record. Further, there is no evidence that CEIBA GROUP was ever licensed to use the Mark.

[21] The Opponent also submits that the evidence shows that the Marks were not assigned to the present Applicant until after the claimed date of first use [Szabo Affidavit, Exhibits C & D; Aquino Affidavit, para. 2; Norman Affidavit, paras 1 and 2]. In order to clearly understand the facts as they apply to this argument, I find it useful to set out the chronology of events of the Marks:

December 20, 2010: 1576817 Alberta Ltd. was incorporated

November 17, 2011: Satori Corporation was incorporated

November 17, 2011: Claimed date of first use for both applications

May 23, 2012: Satori Corporation applied for both marks based on use since November 17, 2011

July 3, 2012: Satori Corporation assigned the Marks to Vedett IP Corporation

August 15, 2012: 1576817 Alberta Ltd. Changed its name to Vedett IP Corporation

January 15, 2013: Revised trade-mark applications were filed in the name of Vedett IP Corporation

[22] As previously noted, Mr. Szabo has always been both President and Director of 1576817 Alberta Ltd. (the previous name of the present Applicant) and the original applicant.

[23] In summary, the evidence shows that each application was filed by Satori Corporation on May 23, 2012 and assigned to the Applicant on July 3, 2012. The present Applicant did not identify Satori Corporation as a predecessor-in-title. A search of the Online Corporate Registry maintained by the Government of Alberta determined that 1576817 Alberta Ltd. was incorporated December 20, 2010, and subsequently changed its corporate name on August 15, 2012 to the Applicant [Norman, paras. 1 and 2]. The Opponent's argument, as I understand it, is that if the Applicant did not exist until after the Marks were assigned to it, the Applicant has not shown continuous use of its Marks from the claimed date of first use to the filing date of the applications.

the Applicant has not shown continuous use of its applied for trade-mark

[24] Beginning first with the Opponent's second argument under this ground, the evidence shows that the Applicant (Vedett IP Corporation) has been in existence since December 20, 2010, albeit under a different name (1576817 Alberta Ltd). The present Applicant has therefore been in existence since December 20, 2010. While the Marks were not assigned to the present Applicant until July 3, 2012, it was Satori Corporation (the Applicant's predecessor-in-title) who originally filed the present applications on May 23, 2012. While 1576817 Alberta Ltd. did not formally change its name to the present Applicant until after the Marks were assigned to it, a change of name does not equate to a change in identity. Further, while Satori Corporation may not have been named as the Applicant's predecessor-in-title in the revised applications, the original applications were filed in the name of Satori Corporation. In any event, the Opponent did not plead that either application did not comply with section 30(b) of the Act because of the Applicant's failure to name its predecessor-in-title. Where an opponent has pleaded that the application fails to comply with a section of the Act based on a particular set of circumstances, it is not permissible to refuse it on the basis that it does not comply with that section of the Act for reasons different than those pleaded [see *Le Massif Inc and Station Touristique Massif du Sud* (1993) Inc, 95 CPR (4th) 249 (FCTD)].

the applied for trade-mark has not been used by the Applicant of record

[25] With respect to the Opponent's first argument, Mr. Szabo states the following in his affidavit at para. 5: "Satori and Vedett are each companies within the business known and operating as the Ceiba Group of Companies".

[26] While I agree with the Opponent that the Applicant's evidence could have been more clear, control can be inferred from the fact that Mr. Szabo is the President of both companies that comprise Ceiba Group [Szabo, para 9]. The case law has established that if the president or director [*TGI Friday's of Minnesota, Inc v Canada (Registrar of Trade Marks)* (1999), 241 NR 362 (FCA), and *Petro-Canada v 2946661 Canada Inc* (1998), 83 CPR (3d) 129 (FCTD)], of one company is also the president or a director or officer of the user of the trade-mark, such may satisfy the requirements of Section 50 of the Act. I therefore do not find that the Applicant's evidence puts into issue whether or not the Applicant has used the Marks since the claimed date of first use.

[27] As a result, I do not find that the Opponent has met its evidential burden under this ground in either case. This ground is therefore rejected.

Section 16(1)(a)

[28] The Opponent has pleaded in each case that the Mark is not registrable pursuant to section 16(1)(a) of the Act as it is confusing with its registered GOODWILL trade-marks (see Schedule A).

[29] In order to meet its evidentiary burden under this ground of opposition, the Opponent has to show that as of the alleged dates of first use of the Mark in Canada, at least one of the Opponent's GOODWILL trade-marks had been previously used in Canada and had not been abandoned as of the date of advertisement of the Applicant's application in the *Trade-marks Journal* [section 16(5) of the Act]. As per my review of the Zimmer affidavit, which will be discussed in more detail below, the Opponent has met this burden in each case.

[30] In view that the Opponent has met its burden, in each case this ground of opposition remains to be decided on the issue of confusion between the Applicant's trade-mark and at least one of the Opponent's marks as of November 17, 2011.

Test for confusion

[31] Trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the Act, shown below:

The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services . . . associated with those trade-marks are manufactured . . . or performed by the same person, *whether or not the goods or services . . . are of the same general class* (emphasis added)

[32] Thus, section 6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the Applicant's financial and Internet services (and related goods) sold under either the mark GOODWILL EQUITY LINE OF CREDIT or the mark GOODWILL PAYMENT ACQUISITION PLAN would believe that those goods or services were provided or authorized or licensed by the Opponent whose training services for handicapped and disadvantaged persons include a financial component. The legal onus is on the Applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

[33] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has been in use; (c) the nature of the goods, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight [see, in general, *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Masterpiece, supra*].

inherent distinctiveness of the marks

[34] The Applicant's evidence in each case shows that the word GOODWILL has two distinct dictionary definitions. One definition refers to that of charity or friendly attitude while the other meaning refers to an accounting or financial term relating to the intangible assets and reputation of a corporation. I agree with the Applicant that the Opponent's use of the GOODWILL word mark is suggestive of its non-profit organization dedicated to assisting people with disabilities and other disadvantaging conditions to obtain jobs and job training. In view of the suggestive other components of both of the Marks, the Applicant's use of the term GOODWILL in its Marks refers to an accounting or financial term relating to the intangible assets and reputation of a corporation. I therefore do not find that either mark possesses a high degree of inherent distinctiveness.

[35] The distinctiveness of a trade-mark may be enhanced, however, through promotion or use. This is referred to as the acquired distinctiveness of the mark.

[36] The evidence filed by the Opponent regarding the acquired distinctiveness of its marks may be summarized as follows:

- The Opponent commenced to carry on its operations in Canada as early as April of 1943 (Zimmer, para 8);
- There are currently seven Canadian Goodwill Members in Canada, located in Edmonton, Hamilton, London, Montreal, Sarnia, St. Catherine's and Toronto, each of which is licensed to use the Opponent's registered trade-marks and offer the services to the public (Zimmer, para. 12);
- The Opponent operates a website located at www.goodwill.org that no less than 339,000 Canadians have visited in the nine year period preceding the date of Ms. Zimmer's affidavit (i.e. July 2, 2014) (Zimmer, para. 13);
- Goodwill Members derive their revenue from goods that are donated by consumers which is in turn used for charitable purposes (Zimmer para. 23);

- Between 2009 and 2012, Canadian Goodwill Members have incurred in excess of \$4.8 million in advertising expenses relating to the promotion of the Opponent’s registered trade-marks and \$1.6 million in 2013 (Zimmer, para. 23); and
- Between 2009 and 2012, the Opponent’s collective revenue from the sales of goods and services was reported as in excess of \$245 million and in excess of \$32 million in 2013 (Zimmer, para. 23).

[37] From the Opponent’s evidence, I am satisfied that the Opponent’s marks have become known to a significant extent throughout Canada.

[38] While the Marks are based on use in Canada since November 17, 2011, the Applicant has not provided evidence of any use or making known of either of the Marks.

[39] I therefore conclude that overall, this factor favors the Opponent in each case.

the length of time the marks have been in use

[40] In view of the evidence furnished by the Opponent, and the fact that the Applicant has not provided any evidence that either of its Marks has been used in Canada, I find that this factor favours the Opponent in each case.

the nature of the goods, services, business and trade

[41] While the Goods and Services for each application are the same (as set out in detail above), the Applicant’s GOODWILL ACQUISITION PAYMENT PLAN is described by Mr. Szabo as a financing option that is available in situation where goodwill is being acquired, such as in the purchase or transfer of ownership of a business. Instead of the Applicant lending money, it participates in the goodwill capitalization (Szabo, Exhibit B). The Applicant’s GOODWILL EQUITY LINE OF CREDIT is said to “provide a business with a regular and reliable stream of capital over an extended period of time secured by the value of its goodwill without requiring either a change in share ownership or traditional security” (Szabo, Exhibit B).

[42] The services of the Opponent vary from registration to registration but with some commonality. Registration No. TMA727,559 for the trade-mark GOODWILL includes the following services:

(1) Vocational training services namely, vocational guidance and assessment, job training and job placement services for disabled and disadvantaged persons; providing rehabilitation services for disabled and disadvantaged persons; employment services for disabled and disadvantaged persons, namely employment outplacement services; promoting the interests of and encouraging and assisting in the establishment, development and growth of organizations throughout the world dedicated to providing rehabilitation services, training, employment and opportunities for personal growth for disabled and disadvantaged persons through legislative and lobbying services, legal advice business consulting, financial support, creating operational standards and promoting public awareness of the need for such organizations through the creation of such promotional campaigns and for developing and maintaining operational standards for such organizations; retail store services featuring a variety of goods of others, namely clothing and household items.

[43] The additional registrations of the Opponent, namely registration numbers TMA544,182, TMA629,838 and TMA629,410 include training and employment services for handicapped and disadvantaged persons and retail store services.

[44] The Applicant submits that the nature of the parties' businesses is completely different. In this regard, the Applicant submits that while customers of the Applicant are independent businesses seeking financing alternatives for their businesses, the nature and class of patrons of the Opponent's business are essentially people donating to or purchasing clothing or similar goods from one of the Opponent's many retail outlets, or disadvantaged or disabled individuals seeking job training.

[45] Relying on the decision in *Prince Edward Island Mutual Insurance Co v Insurance Co of Prince Edward Island* (1999), 86 CPR (3d) 342 (FCTD) (hereinafter "*PEI Insurance*"), the Applicant submits that that the differences between the parties goods and services should be sufficient to weigh heavily against any possibility of likelihood of confusion. In the *PEI Insurance* decision, the fact that one party specialized in car insurance while the other did not sell car insurance was a factor that weighed heavily against any possibility of likelihood of confusion. In each of the present cases, the Applicant submits that the goods sold by the

Opponent at its retail stores consist primarily of low cost consumer items including clothing and household goods. The services provided by the Applicant, on the other hand, consist of corporate financing secured by intellectual property described as goodwill.

[46] The Applicant also points to the evidence of Mr. Szabo wherein it indicates that the set up fee to become a client of the Ceiba Group is \$3500 (Szabo, Exhibit B). Relying on the Supreme Court of Canada decision in *General Motors Corp v Bellows* (1949), SCJ No. 35, the Applicant submits obtaining financing based on a corporation's intangible assets such as goodwill is a substantial purchase such that prospective corporate consumers would give sufficient attention and consideration so as to minimize any risk of confusion.

[47] The Opponent submits that in each case there is some overlap between the Goods and Services and those of the Opponent because the training services offered by the Opponent include a financial component. For example, the Opponent's members offer workshops to individuals dealing with financial literacy (see Zimmer, para. 22 and Exhibit M). In addition, the Opponent's Ontario Great Lakes member offers micro loans to individuals or existing small business owners (see Zimmer, para. 22, Exhibit N). The Opponent's members also have websites where they offer the services directly to individuals or existing small business owners (see Zimmer, para. 9 and 22).

[48] With respect to the Applicant's submissions regarding the sophisticated consumer, the Opponent pointed to the Supreme Court of Canada more recent comments on the issue of the sophisticated consumer in *Masterpiece, supra*. In that decision, Justice Rothstein stated that the fact that goods are expensive is not a relevant factor and not something that should limit trademark protection.

[49] In my view, the present case can be distinguished from the decision in *PEI Insurance*. In *PEI Insurance*, a trade-mark infringement action, there was evidence that the nature of the relevant services and trade were such that "the parties interact with the public, market, advertise and sell, emphasize their business goals and identities, all in a manner so as to distinguish one from the other". In the present case, the Opponent has shown that the training services offered by its members include offering loans to individuals or small business owners. There is no evidence that the Applicant would promote its Goods and Services in a manner so as to distinguish it from

the Opponent. Further, as noted by the Opponent, the Applicant's services are not restricted in any way.

[50] I agree with the Opponent that the fact that the Applicant's Goods and Services may be expensive is not a relevant factor and not something that should limit trade-mark protection. The Court in *Masterpiece* re-iterated that the test for confusion is one of first impression [*Polo Ralph Lauren Corp v United States Polo Assn* (2000), 9 CPR (4th) 51 (FCA)]. Justice Rothstein noted that any subsequent steps taken by sophisticated consumers in an attempt to remedy any such first instance confusion are irrelevant [see para. 68-74 of *Masterpiece, supra*]. I agree.

[51] Finally, in my view, there is overlap between the parties' services. The Opponent's microloan program, for example, provides loans of \$500 - \$5000 to help individuals set up small businesses or expand current businesses (Zimmer, Exhibit J). The Opponent also delivers financial literacy programming to individuals and families to help them build assets and improve their financial capacity (Zimmer, Exhibit I). The Opponent's services can also be offered directly to individuals or existing small business owners through the Opponent's member websites.

[52] In view of the above, while I acknowledge that the nature of the parties' businesses may be different, I find there to be some overlap between the Opponent's services and those of the Applicant. Presumably the parties' channels of trade could also overlap.

degree of resemblance between the marks

[53] The most crucial or dominant factor in determining the issue of confusion is the degree of resemblance between the trade-marks [see *Masterpiece* and *Conde Nast Publications Inc v Union des Editions Modernes* (1979), 46 CPR (2d) 183 (FCTD)].

[54] The law is clear that when assessing confusion marks must be considered in their entirety [*British Drug Houses Ltd v Battle Pharmaceuticals*, [1944] Ex CR 239, at 251, affirmed 1945 CanLII 49 (SCC) and *United States Polo Assn v Polo Ralph Lauren Corp* (2000), 9 CPR (4th) 51 at para 18, aff'd [2000] FCJ No 1472 (CA)]. It has also been held that the first portion of a trade-

mark is usually considered more important for assessing the likelihood of confusion [*Conde Nast Publications Inc v Union des Editions Modernes* (1979), 46 CPR (2d) 183 at 188 (FCTD)].

[55] More recently, however, the Supreme Court advised in *Masterpiece* that when comparing marks one should begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique. In that case, the trade-marks at issue were MASTERPIECE THE ART OF LIVING and MASTERPIECE THE ART OF RETIREMENT LIVING, versus MASTERPIECE LIVING. Mr. Justice Rothstein reasoned that MASTERPIECE was the striking or unique aspect of each trade-name/trade-mark which led to a finding of confusion. There was no striking element other than MASTERPIECE because the remaining words were suggestive of retirement residences.

[56] Similarly, in both of the present cases, the word GOODWILL is the most striking and unique aspect of each trade-mark. The Applicant in each case has appropriated the Opponent's mark in its entirety as each mark's dominant first component and added a string of non-distinctive words to it. I therefore find there to be a fair degree of resemblance between the marks in appearance and sound.

[57] With respect to the ideas suggested, the Applicant submits that the additional words ACQUISITION PAYMENT PLAN and EQUITY LINE OF CREDIT define and limit the meaning of "goodwill" in the Applicant's Marks to their financial meaning. On the other hand, the Opponent's use of the GOODWILL word mark is suggestive of its non-profit organization dedicated to assisting people with disabilities and other disadvantaging conditions to obtain jobs and job training. I agree with the Applicant that the trade-marks are distinguishable in terms of ideas suggested.

other surrounding circumstances

Other Goodwill Registrations

[58] As a further surrounding circumstance in each case, the Applicant submitted in its written argument and at the oral hearing that a review of the CIPO database reveals that several GOODWILL trade-marks have existed concurrently with the Opponent's GOODWILL trade-

marks. While several of these trade-marks are no longer active, the Applicant argues that it is significant that they were not opposed at any time and therefore do not appear to have caused any confusion with the Opponent's marks.

[59] The state of the register evidence referred to by the Applicant in its written argument has not been filed as evidence. I note that state of the register evidence cannot be considered where it is adduced through the written argument and without filing certified copies of the registrations or at least an affidavit affixing particulars of the relevant registrations [*Unitron Industries Ltd v Miller Electronics Ltd* (1983), 78 CPR (2d) 244 at 253 (TMOB)]. Furthermore, the law is clear that, when adjudicating in an opposition proceeding, the Registrar does not exercise discretion to take cognizance of his own records except to verify whether claimed trade-mark registrations and applications are extant [*Quaker Oats Co of Canada Ltd/La Compagnie Quaker Oats du Canada Ltée v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB) at p. 411-412 and *Royal Appliance Mfg Co v Iona Appliance Inc* (1990), 32 CPR (3d) 525 (TMOB)]. The parties to opposition proceedings are expected to prove each aspect of their case following fairly strict rules of evidence [*Loblaws Inc v Telecombo Inc* 2004 CarswellNat 5135 at para 13 (TMOB)].

[60] In any event, state of register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace, and inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located [*Ports International Ltd v Dunlop Ltd.* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); *Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA)]. I note that the Applicant only referenced four registrations (not stating what goods or services these registrations were for), three of which are no longer active. This evidence would have been insufficient to draw any inferences about the marketplace.

The Opponent's use of GOODWILL and GOODWILL & Design in the marketplace

[61] Relying on the decision in *Knirps International GMBH v SRO Apparels (Canada) Inc* (1990), 28 CPR (3d) 434 (FCTD) (*Knirps*), the Applicant submits that in each case the Opponent's GOODWILL word mark is always used with its design mark rather than as an

independent mark. As a result, the Applicant submits that this provides further distinction between the Marks and the Opponent's trade-marks.

[62] In my view, the present case can be distinguished from the decision in *Knirps, supra*. In that decision, the evidence showed that the Opponent's registered Circle Design trade-mark had always been used in association with the word KNIRPS thus diminishing the extent to which the Circle Design trade mark by itself would be perceived by the average consumer as distinguishing the opponent's goods in the marketplace. In the present case, the word GOODWILL is the dominant component of all of the Opponent's trade-marks. Therefore, the fact that the Opponent's registered GOODWILL trade-mark may have always been used in association with the Opponent's GOODWILL design would not have diminished the extent to which the GOODWILL trade-mark by itself would be perceived by the average consumer as distinguishing the Opponent's services in the marketplace. I therefore disagree with the Applicant that this factor provides any distinction between the Marks and the Opponent's trade-marks.

Absence of evidence of actual confusion

[63] As another surrounding circumstance, the Applicant submits that in each case a negative inference should be drawn from the fact that the Opponent was unable to evidence any incidents of actual confusion between the marks. I draw the Applicant's attention to the following excerpt from the Federal Court in the decision *Dion Neckwear Ltd v Christian Dior, SA* (2002), 2002 FCA 29 (CanLii) 2002 FCA 29 (CanLII), 20 CPR (4th) 155 at p. 164, para.19 (FCA):

With respect to the lack of evidence by the opponent of actual confusion, the Registrar expressed the view that an opponent does not need to file that kind of evidence. This is true in theory, but once an applicant has filed some evidence which may point to unlikelihood of confusion, an opponent is at great risk if, relying on the burden of proof the applicant is subject to, it assumes that it does not need to file any evidence of confusion. While the relevant issue is "likelihood of confusion" and not "actual confusion", the lack of "actual confusion" is a factor which the courts have found of significance when determining the "likelihood of confusion". An adverse inference may be drawn when concurrent use on the evidence is extensive, yet no evidence of confusion has been given by the opponent [see *Pink Panther*, supra para. 10, at para. 36; *Petit Bateau Valton SA c Boutiques Le Bateau Blanc Inc* (1994), 55 CPR (3d) 372 (Fed TD); *Bally Schuhfabriken AG/Bally's Shoe Factories Ltd v Big Blue Jeans Ltd/Ltée* (1992), 41 CPR (3d) 205 (Fed TD); *Monsport Inc v Vêtements de Sport Bonnie (1978) Ltée* (1988), 22 C.P.R. (3d) 356 (Fed TD)].

[64] In the present case, there is no evidence with respect to the extent known of the Applicant's Marks in Canada. In my view, this fact alone sufficiently explains why there is an absence of evidence of instances of actual confusion. I have therefore not drawn any negative inference about either of the Opponent's cases owing to the lack of evidence of actual confusion in Canada.

conclusion re section 16(1)(a) ground

[65] The legal onus is on the Applicant to show that, in each case, its trade-mark is not reasonably likely to cause confusion with any of the Opponent's marks. This means that the Applicant must prove that the absence of confusion is more probable than its existence. Having considered all of the surrounding circumstances, I am unable to conclude that, on a balance of probabilities, a consumer who has a general and not precise recollection of the Opponent's marks, will, upon seeing either of the Applicant's Marks, not be likely to think that the goods share a common source or that the Applicant's Goods and Services are in some way associated with the Opponent's services. Given the lack of evidence of any use of either of the Applicant's Marks, contrasted with the notoriety of the Opponent's GOODWILL and GOODWILL and Design marks and the nexus between the parties' goods and services, and notwithstanding the fact that the ideas suggested by the parties' marks may be different, the Applicant has not satisfied its burden in either case.

[66] The section 16(1)(a) ground of opposition therefore succeeds in each case.

Section 2 – Non-Distinctiveness

[67] The Opponent has pleaded in each case that the Mark is not distinctive because it does not, and cannot, actually distinguish the goods and services of the Applicant from the services of the Opponent. The material date for assessing distinctiveness is the date of filing of the opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

[68] In respect of this ground of opposition, the Opponent has the initial evidential burden to prove that at least one of its GOODWILL trade-marks had become sufficiently known as of

October 15, 2013 for the GOODWILL ACQUISITION PAYMENT PLAN application and December 18, 2013 for the GOODWILL EQUITY LINE OF CREDIT application to negate the distinctiveness of the Mark in each case [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD) and *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC)]. Once this burden is met, the Applicant has a legal onus to show in each case, on a balance of probabilities, that the Mark was not likely to create confusion with the Opponent's trade-mark [*Muffin Houses Incorporated v The Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272 (TMOB)].

[69] The affidavit of Ms. Zimmer satisfies the Opponent's initial burden in each case. In the circumstances of these cases, nothing turns on the date at which the issue of confusion is determined. Therefore, for reasons similar to those set out under my discussion of the section 16(1)(a) ground of opposition, I find that the Applicant has not satisfied its legal burden in either case.

[70] Accordingly, the distinctiveness ground of opposition is also successful in each case.

Remaining Ground of Opposition

[71] Since the opposition in each case has already succeeded under two grounds, I will not address the remaining ground of opposition.

Disposition

[72] In view of the above and pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the applications pursuant to section 38(8) of the Act.

Cindy R. Folz
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Hearing Date: **2015-11-09**

Appearances

John S. McKeown

For the Opponent

D. Scott Moore

For the Applicant

Agents of Record


Goldman, Sloan, Nash & Harper, LLP

For the Opponent

Szabo & Company

For the Applicant

SCHEDULE A

Trade-mark	Registration No.	Goods/Services
	TMA544,182	(1) Providing training and employment services for handicapped and disadvantaged persons; providing rehabilitation services for handicapped and disadvantaged persons and encouraging and assisting in the establishment, development and growth of organizations throughout the world dedicated to providing rehabilitation services, training, employment and opportunities for personal growth for handicapped, disabled and disadvantaged persons and for developing and maintaining operational standards for such organizations.
GOODWILL	TMA727,559	(1) Vocational training services namely, vocational guidance and assessment, job training and job placement services for disabled and disadvantaged persons; providing rehabilitation services for disabled and disadvantaged persons; employment services for disabled and disadvantaged persons, namely employment outplacement services; promoting the interests of and encouraging and assisting in the establishment, development and growth of organizations throughout the world dedicated to providing rehabilitation services, training, employment and opportunities for personal growth for disabled and disadvantaged persons through legislative and lobbying services, legal advice business consulting, financial support, creating operational standards and promoting public awareness of the need for such organisations through the creation of such promotional campaigns and for developing and maintaining operational standards for such organizations; retail store services featuring a variety of goods of others, namely clothing and household items.
	TMA629,838	(1) Retail store services featuring a variety of goods of others, namely, clothing, pieces of furniture and household goods and appliances and recovery and resale of used clothing, pieces of furniture, and household goods and appliances. (2) Eleemosynary services, namely, training and rehabilitating handicapped people, including instruction in the reconditioning of furniture and appliances.
GOODWILL INDUSTRIES	TMA629,410	(1) Retail store services featuring a variety of goods of others, namely, clothing, pieces of furniture and household goods and appliances and recovery and resale of used clothing, pieces of furniture and household goods and appliances. (2) Eleemosynary services, namely, training and rehabilitating handicapped people, including instruction in the reconditioning of furniture and appliances

