

**IN THE MATTER OF AN OPPOSITION by
LatigiDigital Inc. to Application No. 1256028 for
the trade-mark LATIGI filed by Marc R.
Branson**

I The Proceedings

[1] On April 29, 2005 Marc R. Branson (the “Applicant”) filed an application to register the trade-mark LATIGI (the “Mark”) based on proposed use in Canada. The application was subsequently amended and now covers the following wares and services:

Consumer electronic goods namely, telephones, telephone answering machines and caller identification devices, facsimile machines, televisions and portable media players, DVD players, CD players, VCRs, stereo receivers, stereo tuners, stereo amplifiers, compact disk players, electronic personal organizers, digital cameras and camcorders; electric kitchen appliances namely, mixers, food processors, juicers, toasters, toaster ovens, can openers, kettles, coffee makers, coffee grinders, blenders, choppers, grinders, bread makers, waffle irons, griddles, slow cookers and crock pots, rice and vegetable steamers, ice cream makers, microwave ovens, deep fryers (the “Wares”) and

Retail and wholesale and distribution of consumer electronic goods and kitchen appliances (the “Services”).

[2] The application was advertised on February 15, 2006 in the Trade-marks Journal for opposition purposes. LatigiDigital Inc. (the “Opponent”) filed a statement of opposition on March 9, 2006 that was forwarded by the Registrar on April 6, 2006 to the Applicant.

[3] The Applicant filed on April 24, 2006 a counter statement denying essentially all grounds of opposition pleaded.

[4] The Opponent filed the affidavit of Jason Melnick while the Applicant filed the affidavit of Marc R. Branson. Mr. Melnick was cross-examined and the transcript of his cross-examination is part of the record.

[5] Both parties filed written arguments and no oral hearing was requested.

II The Grounds of Opposition

[6] The grounds of opposition raised by the Opponent are the following:

1. The application does not conform to the requirements of s. 30(i) of the Trade-marks Act, R.S.C. 1985, c. T-13, (the “Act”) in that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Wares and Services because the Applicant was aware of the prior use by the Opponent and the Opponent’s predecessors in title, Jason and Linda Melnick, of the identical trade-mark LATIGI, the identical trade-name Latigi and the confusingly similar trade-names LatigiDigital and LatigiDigital Inc.;
2. The Applicant is not entitled to registration of the Mark in view of s. 16(3) of the Act because at the date of filing of the application the Mark was confusing with:
 - i) the Opponent’s identical trade-mark LATIGI which had been previously used by the Opponent and/or its predecessors in title, Jason and Linda Melnick, since at least as early as February 17, 1998 in association with wares and services similar to the Wares and Services;
 - ii) The trade-names of the Opponent, Latigi and LatigiDigital, which have been used by the Opponent and/or its predecessors in title, Jason and Linda Melnick, since at least as early as February 17, 1998;
 - iii) The trade-name of the Opponent, LatigiDigital Inc., which have been used by the Opponent since its incorporation date namely, November 14, 2001;
3. The Applicant’s Mark is not distinctive and does not actually distinguish nor is adapted to distinguish the Wares and the Services from the wares and services of the Opponent.

III General Principles Applicable to all Grounds of Opposition

[7] The Applicant has the legal onus to show that its application complies with the provisions of the Act, but there is however an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist. Once this initial burden is met, the Applicant still has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722].

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IV The Relevant Dates

[8] The relevant dates associated with each ground of opposition pleaded are:

- Entitlement to the registration of the Mark, where the application is based on proposed use: The filing date of the application (April 29, 2005) [see s. 16(3) of the Act];
- Compliance to the requirements of s. 30(i) of the Act: The filing date of the application (April 29, 2005) [see *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469];
- Distinctiveness of the Mark: The filing date of the statement of opposition (March 9, 2006) is generally accepted to be the relevant date [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)].

V Entitlement

[9] The ground of opposition based on entitlement turns on the issue of the likelihood of confusion between the Mark and the Opponent's trade-mark and trade-names listed in paragraph 6 above.

[10] The Opponent has an initial evidential burden to prove prior use or making known of its aforementioned trade-mark and trade-names in Canada and that such use was not abandoned at the advertisement date of this application [see s. 16(5) of the Act]. Having these general principles in mind, I shall therefore review the evidence in the record.

[11] Mr. Melnick is the Opponent's president and one of the Opponent's predecessors in title with Linda Melnick. Both of them incorporated the Opponent on November 14, 2001. Prior to that date, the deponent and Linda Melnick created a website for their business venture as described hereinafter. The website was registered on February 17, 1998 under the web address www.latigi.com.

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[12] He states that at the outset, he used with his wife Linda Melnick the trade-names and trade-marks LATIGIDIGITAL and LATIGI mainly in connection with web hosting and computer related consulting and programming services. However their business quickly expanded to include the sale of computers and computer implements. He states that since 2001 he has operated mainly as a computer consultant for the Opponent. I have to presume that prior to November 14, 2001 he could not have rendered those services on behalf of the Opponent as it was not yet incorporated.

[13] He describes his activities on behalf of the Opponent to include supplying, installing and supporting computer hardware and software applications, including computer accessories; telephony, namely, voice-over-internet-protocol (“VOIP”), end-user equipment and VOIP gateways; video cameras and digital video recorders; home audiovisual components which integrate computers, televisions, radios and telephones, secure access equipment and many Internet related services. However I must be satisfied that the evidence filed does support an allegation of use of a trade-mark in association with wares and services within the meaning of s. 4 of the Act.

[14] He explains how he and Linda Melnick created the coined words LATIGI and LATIDIGITAL. LATIGI is the word “digital” spelled in reverse without the letter “d”. If you combined “latigi” and “digital” it forms the coined word “LATIGIDIGITAL”. He states that he and Linda Melnick used and the Opponent generally uses this trade-name/trade-mark with a capital D as follow: latigiDigital or LatigiDigital. I shall not differentiate those trade-names and shall refer to either of them as “LatigiDigital”. He did file a copy of his business card. I note that it contains a reference to the Opponent. Therefore it could not have been used prior to the Opponent’s incorporation. There is no information as to since when such business card has been used and how many of them have been distributed.

[15] In order to substantiate an allegation of use of the trade-mark LATIGI and the trade-names LatigiDigital and Latigidigital Inc. the deponent filed business licenses issued by the City of Vancouver in 2002 and 2003, by the Township of Langley in 2005 as well as the certificate of incorporation issued by the Registrar of Corporation of the province of British

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Columbia on November 14, 2001. Business licenses and certificate of incorporation do not constitute proper evidence of use of a trade-mark or trade-name within the meaning of s. 4 of the Act [see *Geotech Ltd. v. TTI Geotechnical Resources Ltd.* (1985), 7 C.P.R. (3d) 200 and *Pharmx Rexall Drug Stores Inc. v. Vitabrin Investments Inc.* (1995), 62 C.P.R. (3d) 108]

[16] I should point out at this time that there is no evidence or even an allegation of transfer of rights in the trade-mark LATIGI and the trade-names Latigi and LatigiDigital from Linda Melnick and Jason Melnick to the Opponent. Therefore the Opponent cannot rely on evidence of use, if any, of this trade-mark and these trade-names by its alleged predecessors in title [see *Evergreen Canada-Israel Investments Ltd. v. Toronto-Dominion Bank* 1998 CarswellNat 3387 and *C.I. Viewer's Choice Programming Service Inc. v. Astral Bellevue Communications Inc.* (1997), 75 C.P.R. (3d) 98].

[17] The deponent filed various invoices issued by the Opponent between November 1, 2003 and November 15, 2004 relating to computer consulting services and Web Hosting services. The invoices bear the trade-mark LATIGI and the trade-name LatigiDigital Inc.

[18] Exhibit W is an advertising brochure. Again it bears the trade-mark LATIGI and the trade-name LatigiDigital Inc. It also contains the following mention: "March of 2005 we decided to expand..." This would suggest that the brochure was printed and distributed after March 2005. However in his affidavit the deponent asserts that the brochure was distributed to home, businesses and individuals in the vicinity of the Opponent's place of business around January or February 2005. Obviously this cannot be the case. During his cross-examination Mr. Melnick was offered the opportunity to correct such statement when asked if the statements made in the brochure were true and he responded affirmatively. He stated that his wife Linda Melnick created the brochure sometimes in 2004 and was printed using a laser printer. Therefore there is no invoice to establish the exact date of its printing. In view of the apparent contradiction between the content of the brochure and the allegation in Mr. Melnick's affidavit as well as the statements made during his cross-examination, I cannot give any weight to this portion of the evidence.

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[19] He filed various cheques made payable to Latigi and LatigiDigital. I do not consider cheques made payable to those entities to be evidence of use of a trade-mark as defined in s. 4 of the Act. There is no definition of use of a trade-name in the Act but it has been established that one must refer to the definition of “use” of a trade-mark in s. 4 of the Act and make the appropriate modifications [see *Professional Publishing Associates Ltd. v. Toronto Parent Magazine Inc.* (1986), 9 C.P.R. (3d) 207].

[20] He filed advertising leaflets (exhibits X and Z) distributed to homes, businesses and individuals in the vicinity of the Opponent’s place of business in January 2005 and August 2005. We have no information on the number of copies distributed. It does bear the trade-mark LATIGI. It does describe different components of a system entitled “Latigi HTPC Media Center 2005”. We have no evidence that such system was ever sold in Canada by the Opponent.

[21] On these leaflets, there is a list of the different components that form the Latigi Media Center 2005 System. There are two different systems described and they bear different model numbers. During his cross-examination Mr. Melnick explained that the model numbers of the Opponent’s systems are a combination of the various parts that comprise the system. Various third parties manufacture the different components and the Opponent does assemble them. For example Mr. Melnick admitted that the remote control bears the trade-mark Microsoft.

[22] There is no evidence that at the time of transfer of these systems, if any were ever sold, that there were any markings of the trade-mark LATIGI on the system itself or its packaging. A trade-mark appearing on a brochure does not constitute use of a trade-mark in association with wares within the meaning of s. 4(1) of the Act [see *Davis & Co. v. Oasis Corp.* (2002), 25 C.P.R. (4th) 540].

[23] I may add that during his cross-examination Mr. Melnick explained that the features listed in the brochure that include: DVD playback and recording in HDTV; play, pause, rewind and record live TV and sharing of video, music, TV and MP3 files are provided through the operating system with hardware components. Not only there is no evidence of

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the sale of systems in association with the trade-mark LATIGI by the Opponent but there is also no evidence that the Opponent sells or has sold DVD, TV sets or any electronic equipment bearing the trade-mark LATIGI.

[24] In its written argument the Opponent argues that the evidence summarized above does establish prior use of the trade-mark LATIGI in association with wares and services without clearly identifying the wares and services referred thereto. The Opponent rightly so refers to the definition of “use” contained in s. 4(1) and (2) of the Act. It takes the position that the appearance of the trade-mark LATIGI on the invoices constitute “use” of the trade-mark. One must make a distinction between “use” of a trade-mark in association with wares and “use” in association with services. An invoice bearing the trade-mark may constitute evidence of “use” of a trade-mark in association with wares if the invoice contains a description of the wares and the invoice was delivered with the wares such that the purchaser had notice of the association between the wares and the trade-mark at the time of transfer of the wares [see *Riches, McKenzie & Herbert v. Pepper King Ltd.* (2000), 8 C.P.R. (4th) 471]. There is no evidence of that nature. Therefore I conclude that the Opponent failed to meet its initial evidential burden to prove prior use of the trade-mark LATIGI or its trade-names Latigi, LatigiDigital or LatigiDigital Inc. in association with any wares within the meaning of s. 4(1) of the Act.

[25] There remains the issue as to whether the Opponent has established prior use of the trade-mark LATIGI and the trade-names LatigiDigital and LatigiDigital Inc. in association with any kind of services. I am satisfied that the Opponent has met its burden to prove prior use of the trade-mark LATIGI and the trade-names LatigiDigital and LatigiDigital Inc. in association with computer consulting and web hosting services only. The invoices filed do confirm that the Opponent was rendering this type of service in association with this trade-mark and these trade-names prior to the filing date of this application.

[26] I am also satisfied that the Opponent promoted the services of selling in Canada computer systems in association with the trade-mark LATIGI (exhibit X and Z) and that those services were available in Canada. Therefore the requirements under s. 4(2) of the Act are met in so

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far as those services are concerned [see *Wenward (Canada) Ltd. v. Dynaturf Co.*, 28 C.P.R. (2d) 20].

[27] Consequently, the Applicant has to prove, on a balance of probabilities, that the Mark is not confusing with the Opponent's trade-mark LATIGI and the trade-names LatigiDgital and LatigiDigital Inc. I consider the best case scenario for the Opponent to be with its trade-mark LATIGI. Should it be unsuccessful when comparing its trade-mark LATIGI with the Mark, it is obvious that it would not succeed if the comparison was between the Mark and the Opponent's trade-names.

[28] The test to determine if there is a likelihood of confusion between two trade-marks is set out in s. 6(2) of the Act and I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or in the ideas suggested by them. Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [see *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)]. I also refer to the decisions of the Supreme Court of Canada in *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 and *Veuve Clicquot Ponsardin v. Boutiques Clicquot Ltée et al.* (2006), 49 C.P.R. (4th) 401 where Mr. Justice Binnie commented on the assessment of the criteria enumerated under s. 6(5) of the Act to determine if there is a likelihood of confusion between two trade-marks.

[29] The Opponent's trade-mark LATIGI is inherently distinctive. It is a coined word as mentioned above. The degree of distinctiveness can be enhanced through use. The relevant date is the filing date of the application. The application is based on proposed use. Therefore there was no use of the Mark as of the relevant date. On the other hand, from the evidence described above the Opponent has established prior use, to a limited extent in the Vancouver area, of the trade-mark LATIGI in association with web hosting and computer consulting

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services as well as the services of offering for sale computer systems. This factor favours the Opponent.

[30] As for the length of time the trade-marks have been in use, it does also favour the Opponent.

[31] The nature of the wares and services and their channels of trade become important factors in view of the fact that the parties' trade-marks are identical. In its written argument the Opponent does not provide much argumentation on this issue except to state that its advertisements described above make reference to " a host of consumer electronic goods identical to those in the application". As mentioned previously, the Applicant amended its application in order to delete any reference to computer hardware and the sale of computers.

[32] I already ruled that there is no evidence of prior use of the Opponent's trade-mark LATIGI in association with computers or computer systems. Therefore the comparison is limited to computer consultant and web hosting services as well as the services of offering for sale computer systems versus consumer electronic goods and electric kitchen appliances. As described previously, the Opponent's computer systems do provide DVD playback and recording in HDTV; play, pause, rewind and record live TV and sharing of video, music, TV and MP3 files. Those features found in the Opponent's computer systems are in the same general class of the wares identified in the application as consumer electronic goods. Therefore these factors favour the Opponent in so far as the consumer electronic goods are concerned and the retail and wholesale and distribution of consumer electronic goods.

[33] The marks are identical and therefore the criterion under s. 6(5)(e) favours the Opponent.

[34] As an additional surrounding circumstance the Opponent has alleged instances of confusion. The allegations contained in paragraphs 19 and 38 of Mr. Melnick's affidavit constitute inadmissible hearsay evidence as to the content of what was said by third parties to Mr. Melnick.

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[35] From this analysis of the relevant factors, I conclude that the Applicant has not met its evidential burden to prove, on a balance of probabilities, that there is no likelihood of confusion between the Mark when used in association with consumer electronic goods namely, telephones, telephone answering machines and caller identification devices, facsimile machines, televisions and portable media players, DVD players, CD players, VCRs, stereo receivers, stereo tuners, stereo amplifiers, compact disk players, electronic personal organizers, digital cameras and camcorders and the services of retail and wholesale and distribution of consumer electronic goods and the Opponent's trade-mark LATIGI and its trade-names Latigi, LatigiDigital and LatigiDigital Inc.

VI Distinctiveness

[36] The last ground of opposition merely states the language of the Act without alleging any facts to support it. It is improperly pleaded and is therefore dismissed [see *Faber-Castell Canada Inc. v. Binney & Smith Inc.* (1991), 36 C.P.R. (3d) 388].

VI Conformity to the requirements of S. 30(i) of the Act

[37] Where an applicant has provided the statement required by s. 30(i), this ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of an applicant. [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155].

[38] Mr. Melnick has alleged in his affidavit and has filed evidence to support those allegations, that the Applicant was aware of the Opponent's trade-mark LATIGI. He alleges that the Applicant carried on the business of a call center under the trade-name Symphonic Performances. He alleges that in early 2004 he was asked by the Applicant to provide termination solutions for a call centre. In an exchange of emails the Opponent's trade-name LatigiDigital Inc. appeared on several occasions. Mr. Melnick filed an invoice issued to Symphonic Performances for consultation services for VOIP setup on which the Opponent's trade-name LatigiDigital Inc. appears clearly. Then the Opponent refers to a third party's

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written statement filed as exhibit J. The content of such document is inadmissible hearsay evidence.

[39] The Applicant's knowledge of the Opponent's trade-names or trade-mark alone cannot be sufficient to conclude that the Applicant was in bad faith when he stated in his application that he was satisfied that he was entitled to use the Mark in Canada in association with the Wares and Services. The difference in some of the parties' respective wares and services is sufficient to lead the Applicant to believe that he could use the Mark in association with the Wares and Services.

VII Conclusion

[40] Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, and applying the principles enunciated in the case of *Produits Ménagers Coronet Inc. v. Coronet Werke Heinrich Scherf GmbH* 10 C.P.R. (3d) 482, I refuse, pursuant to s. 38(8) of the Act, the Applicant's application for the registration of the Mark, in association with:

Consumer electronic goods namely, telephones, telephone answering machines and caller identification devices, facsimile machines, televisions and portable media players, DVD players, CD players, VCRs, stereo receivers, stereo tuners, stereo amplifiers, compact disk players, electronic personal organizers, digital cameras and camcorders and the services of retail and wholesale and distribution of consumer electronic goods;

And reject the opposition for:

electric kitchen appliances namely, mixers, food processors, juicers, toasters, toaster ovens, can openers, kettles, coffee makers, coffee grinders, blenders, choppers, grinders, bread makers, waffle irons, griddles, slow cookers and crock pots, rice and vegetable steamers, ice cream makers, microwave ovens, deep fryers and the services of retail and wholesale and distribution of kitchen appliances.

DATED IN BOUCHERVILLE, QUEBEC, THIS 10th DAY OF NOVEMBER 2009.

Jean Carrière,
Member, Trade-marks Opposition Board