IN THE MATTER OF OPPOSITIONS by Logitech Electronics Inc. to Application No. 1,043,199 for the trade-mark TELEMAC ENABLED & Design, Application No. 1,043,200 for the trade-mark TELEMAC ADVANTAGE and Application No. 1,043,202 for the trade-mark TELEMAC filed by Telemac Corporation

On January 19, 2000, Telemac Corporation (the "Applicant") filed the following trade-mark applications:

Application No. 1,043,199

Application No. 1,043,200 Application No. 1,043,202 TELEMAC ADVANTAGE TELEMAC

Telemac

Each application is based upon proposed use of the trade-mark in Canada in association with the following wares and services:

<u>Wares</u>: computer software used in programming, distributing, tracking, accounting, renting and maintaining cellular telephones and cellular pagers; cellular communications equipment, namely cellular telephones, cellular pagers, and cellular communications systems comprising computers, computer software, computer file servers, cellular telephones and cellular pagers.

<u>Services</u>: cellular telephone services, namely programming, distributing, tracking, accounting, renting, and maintaining cellular telephones, cellular pagers and cellular communications systems comprising computers, computer software, computer file servers, cellular telephones and cellular pagers".

Each application was advertised in the *Trade-marks Journal* of August 22, 2001 and was opposed by Logitech Electronics Inc. (the "Opponent") by statement of opposition filed on October 22, 2001.

For each application, the first ground of opposition is that it does not comply with s. 30(i) of the *Trade-marks Act* R.C.S. 1985, c. T-13 (the "Act") in that the Applicant could not have been satisfied that it was entitled to use the trade-mark in Canada given that the Applicant knew of the Opponent's prior rights to the registered trade-mark TELEMAX. The second ground of

opposition is that the Applicant is not the person entitled to registration of the trade-mark in that at the filing date, it was confusing with the trade-mark TELEMAX previously used in Canada by the Opponent and its predecessor-in-title in association with telephones. I should note that each statement of opposition refers to s. 16(1)(3) rather than to s. 16(3)(a) as the basis of the second ground of opposition, but considering the evidence in conjunction with the pleading, which has not been challenged by the Applicant, I am prepared to treat the reference to s. 16(1)(3) as a technical deficiency. The third ground of opposition is that the trade-mark is not registrable pursuant to s. 12(1)(d) because it is confusing with the Opponent's trade-mark TELEMAX of Registration No. 319,358 for telephones. The fourth ground of opposition is that the trade-mark is not distinctive in that it does not distinguish and is not adapted to distinguish the Applicant's wares and services from the wares and services of others, and in particular from the wares of the Opponent.

The Applicant filed a counter statement with respect to each application denying all the allegations contained in the statement of opposition. Both parties have filed evidence with respect to each application. None of the deponents has been cross-examined. Both parties have filed written arguments with respect to each application and were represented at the oral hearing where the three oppositions have been heard together.

While the ultimate legal burden is always upon the Applicant, there is 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 [see *John Labatt Ltd. v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.); *Dion Neckwear Ltd. v. Christian Dior, S.A.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

Opponent's evidence

The Opponent's evidence with respect to each application consists of affidavits of Gregory Bell, Nicki Koitsopoulos and Aaron Sawchuk, all sworn on October 1, 2002.

• The Bell Affidavit

Mr. Bell, who has been the Opponent's Chief Executive Officer since 1988, deposes as follows.

The Opponent is the owner and sole distributor of a product line of landline telephones associated with the trade-mark TELEMAX. The rights in the trade-mark TELEMAX, including Registration No. 319,358, have been assigned to the Opponent by Pro Quality International Limited ("Pro Quality"). Copies of the assignment dated April 7, 1998 (Exhibit A) and of Registration No. 319,358 (Exhibit B) are appended to the affidavit.

The Opponent and Pro Quality have sold TELEMAX telephones in Canada since at least as early as 1986. At the time of negotiating the purchase of the trade-mark and product line, Mr. Bell had been advised by Pro Quality's owner that the sales of TELEMAX telephones were approximately \$35 million between the years 1986 and 1997. The trade-mark TELEMAX has always appeared on the telephone packaging. Exhibit C is a sample packaging representative of packaging used in Canada since 1998.

Since acquiring the trade-mark, the Opponent has expended its product line that consisted of traditional landline telephones, that is telephones that plug into a wall, to include hand free, mobile mini telephones. The Opponent is also using the trade-mark in association with (i) computer accessories, such as monitor extension cords and clip on microphones for voice activated recognition software and computer games, since at least as early as 2001; (ii) Caller ID Services devices since at least as early as 1998; and (iii) digital cameras since at least as early as 2001. Samples of packaging for extension cords and clip on microphones are provided (Exhibit D).

The wares associated with the trade-mark TELEMAX are sold and distributed primarily through retail stores including Business Depot, Radio Shack, Wal-Mart, Future Shop, Home Hardware, The Telephone Booth and Amway. Samples of advertisements in Radio Shack's 1995 catalogue, Radio Shack's 2001 Product Reference Guide and Radio Shack's Personal Shoppers Service's 2000 Spring/Summer catalogue are provided (Exhibit E). Mr. Bell states that all these catalogue advertisements list TELEMAX telephones and Caller ID Services devices. According to my review of these advertisements, while each catalogue shows telephones displaying the trademark, only the 2000 catalogue shows a "Caller ID System" displaying the trademark.

Copies of representative invoices for the years 1998 to 2000 documenting rebates that the Opponent granted to Business Depot for advertising the wares associated with the trade-mark TELEMAX are appended as Exhibit F. These advertising rebates amounted overall to \$63,500.80. While these rebates were based on a percentage of sales of TELEMAX wares to Business Depot, we do not have any information regarding the value of the rebates with respect to specific wares.

The annual sales figures for all the wares associated with the Opponent's trade-mark were \$1.2 million in 1999, \$1.4 million in 2000 and \$1.6 million in 2001. There is no information regarding the value of sales of specific wares.

Telephones and other electronic/digital products associated with the trade-mark TELEMAX have also been advertised by means of print materials and advertisements in the nature of brochures, flyers and catalogue listings. Copies of representative print materials are appended as Exhibit G. The Opponent spent an approximate total amount of \$235,000 for advertising the wares associated with the trade-mark from 1998 to 2001. There is no information as to the advertising amount spent for specific wares.

• The Koitsopoulos Affidavit

Ms. Koitsopoulos is a searcher employed by the Opponent's trade-mark agents. She introduces into evidence the results of a search of the *CD NameSearch* database, conducted on September 30, 2002, with respect to trade-marks containing the word TELEMAX in all classes Excluding the Opponent's trade-mark, the search has turned up eight trade-marks (Exhibit A). Four of them are inactive whereas the other four, all owned by The Toronto Dominion Bank, are associated with financial and data information services (Exhibit B).

• The Sawchuk Affidavit

Mr. Sawchuk, an articling student employed by the Opponent's trade-mark agents, deposes that on September 28, 2002 he attended five retail stores (The Telephone Booth, Radio Shack, Future Shop, Bell World and Business Depot) that were all selling both cellular and landline telephones. It appears that all these stores were located in Toronto. He deposes that The Telephone Booth, Radio Shack and Future Shop sold TELEMAX landline telephones but that none of the five stores sold TELEMAC products.

Mr. Sawchuk provides pages from the websites of Panasonic (Exhibits A1 to A4), Siemens (Exhibits B1 to B4), Audiovox (Exhibits C1 to C4), Vtech (Exhibits D1 to D3) and Sanyo (Exhibits E1 to E4) stating that they show that these companies, which he refers to as "major phone manufacturers", sell both cellular and landline phones in Canada via their websites and at retail outlets.

Applicant's evidence

The Applicant's evidence with respect to each application consists of an affidavit of Val Dietrich who has been the Vice President – Legal Affairs of the Applicant since January 1, 2001. Before summarizing his evidence hereafter, I should note that except for their heading each affidavit, sworn on May 15, 2003, contains the same information. I will therefore analyze the evidence by referring to the Applicant's trade-marks collectively as the TELEMAC Marks.

The Applicant, a privately owned corporation established in 1990, is the global leader in developing and commercializing advanced network-edge real-time accounting, billing, and payment processing technologies for the wireless industry. The Applicant licences wireless device manufacturers the right to integrate its technology into their wireless terminals and SIM (Subscriber Identity Module) cards. The Applicant also licenses wireless operators to use the technology for accounting, billing, payment processing and network performance monitoring programs. At paragraph 4 of his affidavit, Mr. Dietrich states that the Applicant's technologies *"also allow subscribers to recharge minutes or instantly access account information"*. Copy of an advertising and marketing document together with a copy of a brochure explaining the Applicant's business and technology associated with the TELEMAC Marks throughout these documents. As an aside, I note that Exhibit 1 depicts a cellular telephone with the trade-mark TELEMAC ENABLED & Design displayed on its screen, which lead me to wonder whether clients of wireless service providers licensed to use the Applicant's technologies would at any time see any of the TELEMAC Marks displayed on their telephone screen.

The Applicant does not manufacture telephones, cellular telephones, cellular pagers nor does the Applicant provide consumer wireless services, sell its software or provides its services directly to end users of wireless devices. The software and services associated with the TELEMAC Marks are primarily grouped in two classes, namely (i) the software and services for wireless devices and SIM card manufacturers (the "client component") and (ii) the software and services for wireless network service providers (the "server component").

In so far as the "client component" is concerned, the Applicant's licensed prepaid technology software is loaded directly on wireless devices and SIM cards for enabling direct communication between the carrier and the wireless devices. At the date of the affidavit, nearly 15,000,000 wireless devices utilizing the Applicant's technologies had been manufactured and used by consumers worldwide. A list of the Applicant's licensees falling into the client component group is provided. Appended, as Exhibit 2, is a photocopy of a packaging for a cellular telephone manufactured by Nokia Inc., one of the Applicant's licensees, and loaded with the Applicant's software. I note that the trade-mark TELEMAC ENABLED & Design appears on the packaging. Mr. Dietrich states that the Applicant, who distributes the software to its licensees, applies the TELEMAC Marks to the distribution medium and provides copies of "distribution papers" (Exhibit 3).

As for the "server component", the Applicant's software is licensed to wireless service providers and loaded onto servers that are operated by either the wireless service providers or by the Applicant. The Applicant provides programming services to its wireless service provider customers to meet the special requirements. At the date of the affidavit, regional wireless service providers in over six continents, including in North America, were using the Applicant's licensed technology. There is no mention of Canada as one of the country where the technology is used.

The Applicant's technologies are the subject of a plurality of United States and International Patents awarded and patent pending in thirty-eight countries. According to the list of companies licensed to use the Applicant's patents in various countries, the Applicant does not have any licensee in Canada.

The Applicant made a presentation to Bell Mobility Cellular Inc., a division of Bell Canada, in Mississauga, Ontario, on or about July 17, 2001. Excerpts of the presentation are provided as Exhibit 4. A proposal soliciting subscription of the Applicant's wares and services was sent by InterVoice Brite Inc., its marketing partner, to Rogers AT&T Wireless, in Toronto, on or about April 11, 2001. A copy of page 1 of the proposal is attached (Exhibit 5). I would note that there is no evidence showing that the Applicant was ever engaged to provide any of its wares or services to either of these companies in Canada.

According to the yearly breakdown provided by Mr. Dietrich, the total "approximate global sales for products and services sold by the Applicant under its trade-marks for the years 1998 to 2002" amounts to \$41 million. The sale figures are not broken down neither by trade-mark nor by country.

The Applicant's wares and services are advertised and promoted by direct contact with the Applicant's customers through distribution of press releases and participation at trade shows. Copies of press releases from 1999 to 2002 that would have been received in Canada by individuals at Bell Mobility Cellular Inc., Rogers AT&T Wireless, Telus Mobility Cellular Inc. and Microcell Telecommunications Inc. are provided as Exhibit 6. I would once again note that there is no evidence that any of the corporations have ever ordered the wares or services associated with the TELEMAC Marks. A list of trade shows in which the Applicant participated from 1998 to 2002 and the planned activity for 2003 worldwide is attached as Exhibit 7. It does not identify any trade shows that have been held or are to be held in Canada.

Copies of pages from the Applicant's website are provided as Exhibit 8. From June 2002 to December 2002, there were approximately 313 visitor hits on the Applicant's website from Internet users residing in Canada or surfing the Internet from a Canadian domain. I do not believe that 313 is particularly a significant number especially since we do not whether the visitors even perused the website.

Particulars of registrations and applications for the TELEMAC Marks in various countries, but not Canada, are provided.

Material dates

The material date for considering the circumstances with respect to the ground of opposition based upon non-conformity to s. 30 is the filing date of the applications [see *Georgia-Pacific Corp.* v. *Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.)]. The material date for considering the non-entitlement ground of opposition is also the filing date. The material date for considering the issue of confusion between the trade-marks pursuant to s. 12(1)(d) is the date of my decision [see *Park Avenue Furniture Corp* v. *Wickers/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.)]. Finally, the filing date of the statement of opposition is generally accepted as the material date with respect to the ground of opposition based upon non-distinctiveness [see *Metro-Goldwyn-Mayer Inc.* v. *Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)].

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Considering the first ground of opposition, I find that there is no evidence of record on which the Opponent may rely to establish that the Applicant was aware of the Opponent's trade-mark at the relevant date. Moreover, even if it had been established that the Applicant was aware of the Opponent's trade-mark, that fact alone would not have precluded it from truthfully making the statement required by s. 30(i). Thus, this ground of opposition is unsuccessful with respect to each application.

Confusion

Each of the remaining three grounds of opposition turns on the issue of confusion between each of the TELEMAC Marks and the trade-mark TELEMAX. The burden of proof lies on the Applicant to convince the Registrar, on a balance of probabilities, that there is no reasonable likelihood of confusion between the trade-mark TELEMAX and the TELEMAC Marks. Based on the evidence of record, it appears to me that nothing turns on whether the issue of confusion is determined at any particular date.

In assessing whether there would be any reasonable likelihood of confusion between the TELEMAC Marks and the Opponent's trade-mark, within the scope of s. 6(2), all the surrounding circumstances and the factors set out at s. 6(5) have to be considered. These factors

are: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time the trade-marks have been in use; (c) the nature of the wares, 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. In *Polo Ralph Lauren Corp.* v. *United States Polo Association and al* (2000), 9 C.P.R. (4th) 51 (F.C.A.), Mr. Justice Malone summarized the guidelines to be applied:

"A review of some of the leading cases also establishes some practical guidelines. For example, the Court is to put itself in the position of an average person who is familiar with the earlier mark but has an imperfect recollection of it; the question is whether the ordinary consumer will, on seeing the later mark, infer as a matter of first impression that the wares with which the second mark is used are in some way associated with the wares of the earlier. With respect to the degree of resemblance in appearance, sound or ideas under subparagraph 6(5)(e), the trade-marks at issue must be considered in their totality. As well, since it is the combination of elements that constitutes a trade-mark and gives distinctiveness to it, it is not correct to lay the trade-marks side by side and compare and observe similarities or differences among the elements or components of the marks when applying the test for confusion. In addition, trade-marks must not be considered in isolation but in association with the wares or services with which they are used. When dealing with famous or well-known marks, it may be more difficult to demonstrate that there is no likelihood of confusion, especially if the nature of the wares is similar. Lastly, the enumerated factors in subsection 6(5) need not be attributed equal weight. Each particular case of confusion might justify greater emphasis being given to one criterion than to others".

Prior to assessing the likelihood of confusion, I wish to address Mr. Bell's allegations regarding the use of the Opponent's trade-mark in association with Caller ID Services devices; computer accessories, such as monitor extension cords and clip on microphones for voice activated recognition software and computer games; and digital cameras. For one thing, I consider that none of the pleadings in the statement of opposition are based on use of the Opponent's trade-mark in association with other wares than telephones. Furthermore, I agree with the Applicant's submissions that there is no clear evidence regarding the extent of use of the trade-mark in connection with any wares other than telephones (no specific value of sales for wares other than telephones, no breakdown of the promotional expenditures by wares). In any event, should I be wrong in so finding, I would not afford any significance to these allegations for the following reasons:

- The assessment of the s. 12(1)(d) ground of opposition is governed by the statement of wares and services of each application and the statement of wares of the registration [see *Mr*. *Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe Inc. v. Bohna* (1994) 58 C.P.R. (3d) 381 (F.C.A.)].
- Mr. Bell alleges use in association with computer accessories and digital cameras since at least as early as 2001. Accordingly, I would consider December 31, 2001 as the earliest date of use, as the Registrar would do for an application claiming use of a trade-mark since at least as early as 2001 [see *Khan* v. *Turban Brand Products Ltd.* (1984), 1 C.P.R. (3d) 388 (T.M.O.B.)]. The alleged date of first use is therefore subsequent to the material dates for considering the grounds of opposition based upon non-entitlement [January 19, 2000] and non-distinctiveness [October 22, 2001].
- Insofar as Caller ID Services devices are concerned, I acknowledge that the evidence (Mr. Bell's allegation of use since 1998 coupled with the 2000 Radio Shack catalogue) may be sufficient to satisfy the Opponent's initial onus of evidencing use of trade-mark at the relevant date for the non-entitlement ground of opposition. However, in view of its deficiencies, I am of the opinion that the evidence falls short of establishing that the trade-mark was still being used in association with these wares at the advertisement date of each application, i.e. August 22, 2001 [Section 16(5)]. The evidence falls also short of establishing that the trade-mark was sufficiently known in association with these wares to negate the distinctiveness of the TELEMAC Marks at the time of the oppositions [October 22, 2001].

In view of the above, I will assess the likelihood of confusion by considering the Opponent's trade-mark in association only with telephones.

I would remark that both parties have referred to various cases in support of their respective opinion. The Applicant has particularly referred to numerous cases where trade-marks were found not to be confusing notwithstanding that the nature of the wares might relate to the same general class. As interesting as these precedents may be, the issue of confusion between the TELEMAC Marks and the trade-mark TELEMAX is a question of probabilities and surrounding circumstances based on the particular facts of this case.

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

The Applicant has argued that the Opponent's trade-mark is inherently weak because a search for the prefix "tele" for telephones as wares and services revealed that there were 225 registered or allowed trade-marks co-existing on the trade-marks register at the date of the Applicant's written arguments. Since the Applicant has not filed any state of the register evidence in the form required by the *Trade-mark Regulations (1996)*, I do not give any consideration to its submission. In this regard, I would add that the Registrar, when adjudicating in opposition proceedings, does not exercise discretion to take cognizance of his own records except to verify whether opponent's trade-mark registrations or applications are extant [see *Quaker Oats Co. of Canada* v. *Menu Foods Ltd.* (1986), 11 C.P.R. (3d) 410 (T.M.O.B.); *Royal Appliance Mfg. Co.* v. *Iona Appliance Inc.* (1990), 32 C.P.R. (3d) 525 (T.M.O.B.)].

Although the trade-mark TELEMAX is a coined word, it is formed with the prefix "tele", which is suggestive of telephones or telecommunications, and the suffix "max", which means "maximum" (noun) or "maximal" (adjective). Therefore, the trade-mark TELEMAX suggests that the telephones associated therewith are of maximum quality or value.

The word "telemac" in the TELEMAC Marks is also a coined word formed with the prefix "tele", which again suggests that the wares and services associated therewith relate to telephones or telecommunications. On the other hand, there is no descriptive or suggestive connotation attaching to the suffix "mac" when considering the wares and services associated with the TELEMAC Marks. I should note that the Opponent has failed to file any evidence supporting its contention that the word "enabled" in the trade-mark TELEMAC ENABLED & Design is of common usage in respect of computer technologies, if not a term of the art. However, since I may refer myself to dictionaries [see *Insurance Co. of Prince Edward Island* v. *Prince Edward Island* v. *Prince Edward Island* renable" in the 2000 paperback version of the *Oxford Canadian Dictionary* is: "*esp. Computing* make (a device) operational". Accordingly, I find that the word "enabled" does very little to add to the inherent distinctiveness of the trade-mark. I would further note that since the words TELEMAC and ENABLED form the essential part of the trade-mark, the design features

do not increase its inherent distinctiveness. I also find that the word "advantage" does very little to add to the inherent distinctiveness of the trade-mark TELEMAC ADVANTAGE. In that regard, I note that the word "advantage" is a common dictionary word with meanings including "a beneficial feature; a favourable circumstance" or "superiority in a particular respect" (see *Oxford, supra*).

In view of the above comments, I consider that while neither party's trade-marks are inherently strong, the TELEMAC Marks seem to benefit from a slightly higher level of inherent distinctiveness. However, given the evidence of record, I find that the extent to which the trade-mark TELEMAX has become known favours the Opponent.

• The length of time the trade-marks have been in use

This factor clearly favours the Opponent. The trade-mark TELEMAX has been registered by the Opponent's predecessor-in-title following the filing of a Declaration of Use on August 14, 1986. Further, the Bell affidavit evidences use of the trade-mark by the Opponent since 1998 whereas there is no evidence of use of the TELEMAC Marks in Canada.

• The nature of the wares, services or business and the nature of the trade

Although Mr. Dietrich has testified that the Applicant does not manufacture telephones, cellular telephones and cellular pagers, the Opponent has correctly argued that each application covers "cellular communications equipment, namely cellular telephones, cellular pagers, and cellular communications systems comprising...cellular telephones and cellular pagers". I find that these wares are similar to or, at least, overlap with landline telephones. Furthermore, in the absence of evidence from the Applicant with respect to these wares, I find it reasonable to conclude that there is potential for overlap in the nature of the parties' channels of trade.

I shall now consider the wares "computer software used in programming, distributing, tracking, accounting, renting and maintaining cellular telephones and cellular pagers... and cellular communications systems comprising computers, computer software, computer file servers.... (hereafter collectively referred to as "software product") and the services identified in the applications. Insofar as the services are concerned, I must once again note that despite

Mr. Dietrich's statement that the Applicant does not provide consumer wireless services, sell its software or provide its services directly to end users of wireless devices, the statement of services does not include such a restriction.

The Applicant submits that the differences between its software product and services and the Opponent's wares as well as the differences between the parties' channels of trade are such that there is no real danger of confusion. The Applicant submits that the telephones associated with the Opponent's trade-mark are low-end telephones, with basic or limited functions. These telephones being distributed through retail stores selling directly to end-users, the Opponent targets the ordinary consumers or unsophisticated business users. Since its software product and services are intended for wireless devices manufacturers and wireless services providers, the Applicant's clients are sophisticated purchasers. At page 9 of its written argument, the Applicant submits that its TELEMAC Marks are to be used "*primarily for computer software and technology relating to real time accounting, billing and payment processing technologies that aim at providing solutions for cost control and other accounting related issues for the wireless industry and <u>end-users</u>" (my underlining).*

As for the Opponent, it contends that there is a direct overlap between its wares and the Applicant's software product and services as well as between the parties' channels of trade. The Opponent submits that given the manner of use of the trade-mark TELEMAC ENABLED & Design on the packaging attached as Exhibit 2 to the Dietrich affidavit, the consumer is likely to associate the trade-mark to the cellular telephone itself rather than to the software that is loaded with the telephone. In support of its opinion, the Opponent argues that: (i) there is no explanation that the trade-mark TELEMAC ENABLED & Design is associated with the prepaid software technology loaded with the telephone; (ii) the packaging does not identify the Applicant as the owner of the trade-mark, and (iii) there is a trade-mark notice stating that other products names may be trade-marks of their respective owners. With all due respect for the opinion expressed by the Applicant's agent that the Opponent's argument is unrealistic, I have no difficulty agreeing with the Opponent. I would add that I do not consider that the patent notice appearing besides the trade-mark TELEMAC ENABLED & Design would have a significant impact on the message conveyed by the trade-mark as shown on the packaging.

Furthermore, the evidence of record shows that landlines telephones, including the telephones associated with the Opponent's trade-mark, are sold at retail outlets that sell cellular telephones. Therefore, I agree with the Opponent's submission that its telephones could be seen in the same retail outlets than cellular telephones loaded with the Applicant's software product and sold in packaging displaying the TELEMAC Marks.

I do not disagree with the Applicant's argument that its evidence is to the effect that its software product and services are intended either for wireless devices manufacturers or for wireless services providers but not for end users of wireless devices or services. However, it seems to me that subscribers of the licensed wireless service providers are ultimately the end-users of the services associated with the TELEMAC Marks. In that regard, I note that Mr. Dietrich has testified that the Applicant's technologies "allow subscribers to recharge minutes or instantly access account information". Also, ordinary consumers buy the cellular telephones loaded with the Applicant's software product.

• The degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

In considering these criteria, I should first note that during the hearing, the Applicant's agent submitted that given the low degree of inherent distinctiveness of the Opponent's trade-mark, the fanciful script and the font forming the word "telemax" put such an emphasis on the suffix "max" that it is sufficient to distinguish the trade-mark from the TELEMAC Marks. While I agree that some exhibits to the Bell affidavit show the Opponent's trade-mark in a specific design format putting emphasis on the suffix "max", the sample advertisements (Exhibit F to the Bell affidavit) contain photographs that depict the Opponent's trade-mark displayed in plain block letters on the wares themselves. Furthermore, since Registration No. 319,358 covers the word trade-mark, the Opponent is not restricted to using its trade-mark in a specific design format.

The first component of a trade-mark is often considered more important for the purpose of distinction. However, if it is a common, descriptive or suggestive word, the significance of the first component decreases [see *Conde Nast Publications Inc. v. Union des Editions Modernes*

(1979), 46 C.P.R. (2d) 183 (F.C.T.D.); Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R. (3d) 413 (F.C.A.); Phantom Industries Inc. v. Sara Lee Corp. (2000), 8 C.P.R. (4th) 109 (T.M.O.B.)]. Although both the words "telemax" and "telemac" start with the suggestive prefix "tele", I do not consider that the differences between the suffixes "max" and "mac" are so important as to distinguish these words when viewed or when sounded. The difference between the words "telemax" and "telemac" only resides in their respective last letter. Therefore, I find that the Applicant's trade-mark TELEMAC, when viewed and sounded, is highly similar to the Opponent's trade-mark TELEMAX. I do acknowledge, however, that the differences between the suffixes result in differences between the ideas suggested. As previously discussed, the trade-mark TELEMAX suggests that the telephones associated therewith are of maximum quality or value, which ideas is not an idea conveyed by the word "telemac". The presence of the term "enabled" or "advantage" in the trade-mark TELEMAC ENABLED & Design or TELEMAC ADVANTAGE results in differences between each and the Opponent's trade-mark when viewed and sounded. Nonetheless, it seems to me that both the words "enabled" and "advantage" directly refer to the word "telemac", which remains the dominant portion of the trade-marks. As a matter of fact, the trade-mark TELEMAC ENABLED & Design, as applied for registration, puts emphasis on the word "telemac". I acknowledge however that the design feature of the trade-mark is irrelevant when considering the resemblance between the trade-marks when sounded since the public do not heed the design features but vocalize only the words elements of a trade-mark [see Gigi Inc. v. Bigi (Canada) Ltée (1990), 29 C.P.R. (3d) 562 (T.M.O.B.)].

Having regard to the above, and despite cogent submissions put forward by the agent for the Applicant, the particulars facts of this case lead me to conclude that the balance of probabilities weigh in favour of the Opponent. Accordingly, I find that the Applicant has not met its onus to show that there is no reasonable likelihood of confusion between each of the TELEMAC Marks and the trade-mark TELEMAX. I would add that I find it is not necessary to consider whether the state of the register evidence introduced by the Koitsopoulos affidavit is another circumstance in favour of the Opponent. I would also add that if I am wrong in not considering the Opponent's evidence with respect to wares other than telephones, the overall outcome in the present oppositions would have been the same.

Conclusion

Having regard to the foregoing, and with the authority delegated to me under s. 63(3) of the Act, I refuse Application No. 1,043,199 to register the trade-mark TELEMAC ENABLED & Design, Application No. 1,043,200 to register the trade-mark TELEMAC ADVANTAGE and Application No. 1,043,202 to register the trade-mark TELEMAC pursuant to s. 38(8) of the Act.

DATED AT BOUCHERVILLE, QUEBEC, THIS 3rd DAY OF MARCH 2006.

Céline Tremblay Member Trade-marks Opposition Board