

**IN THE MATTER OF AN OPPOSITION
by The Investment Centre Financial Group Inc.
to application No. 812,257 for the trade-mark
Telephone Design filed by Direct Line Insurance PLC**

On May 9, 1996, the applicant, Direct Line Insurance PLC, filed an application to register the trade-mark Telephone Design (shown below) for insurance and financial services based on making known of the mark in Canada since at least as early as 1990. During prosecution, the services were further defined as insurance services, namely mortgage services, mortgage protection services; loan services, income protection services, life assurance, disability insurance services and travel insurance services; and financial services relating to insurance and credit card services.

The application was advertised for opposition purposes on February 19, 1997. The opponent, The Investment Centre Financial Group Inc., filed a statement of opposition on July 21, 1997.

The first ground of opposition is that the application does not conform to the requirements of Subsection 30(a) of the *Trade-marks Act* because it does not contain a statement in ordinary commercial terms of the specific services in association with which the mark has allegedly been made known as the applicant has not made the mark known in Canada in association with any of the services set out in the application.

The second ground of opposition is that the application does not conform to the requirements of Subsection 30(c) of the *Trade-marks Act* as it does not contain the date from and the manner in which the applicant has made the mark known in Canada as the

applicant has not made the mark known in Canada.

The third ground of opposition is that the application does not conform to the requirements of Subsection 30(i) of the *Trade-marks Act* as the statement contained in the application could not be a true statement as the applicant was aware at the date of the application that the applicant had not made the mark known in Canada.

The fourth ground is that the mark is not registrable pursuant to Paragraph 12(1)(b) of the *Act* because it is either clearly descriptive or deceptively misdescriptive of the character and quality of the applied for services.

The fifth ground of opposition is that the mark is not registrable pursuant to Paragraph 12(1)(d) of the *Act* because it is confusing with the following third party registered trade-marks:

<u>Trade-mark</u>	<u>Reg. No.</u>	<u>Services</u>
PHONECODE	427,305	Financial institution services, namely, mortgage and loan company services; financial institution services, namely, trust company services.
CITIPHONE	406,498	Banking services.
PHONE 'N PAY	420,263	Banking services, namely payroll processing services.
CANADA TRUST PHONE-A-LOAN	230,313	All services connected with the operation of a trust company including banking-like services to the general public.
PHONEQUOTE	368,907	Insurance services.
SUPERPHONE Design	168,456	Providing, for businesses honoring registrant's credit cards, of [sic] a central telephone service wherein such businesses can obtain credit information upon the holders of registrant's credit cards.

ALARM CENTRAL & Telephone Design	383,114	Services of providing information and assistance for travellers in relation to hospital, medical and emergency health services; coordination of medically indicated transportation services; verifying insurance coverage, confirming lines of credit,
Globe & Telephone Design	298,789	Health insurance, travel insurance, death and dismemberment insurance, loss or theft of baggage insurance and travel protection services, namely: professional medical and para-medical assistance, professional legal assistance, financial assistance for unforeseen expenses, assistance with travel plan revisions, local tourist information and local services information and general assistance such as may be required by travellers and their dependants or family members in the event of medical or travel-related emergencies.

The sixth ground of opposition is that the mark is not registrable pursuant to Section 10 and Paragraph 12(1)(e) of the *Act* because it is a mark which, by ordinary and *bona fide* commercial usage, has become recognized in Canada as designating a certain kind and/or quality of services.

The seventh ground of opposition is that the applicant is not the person entitled to registration pursuant to Subsection 16(1) of the *Act* because the applicant had not made the mark known in Canada at least as early as 1990 in association with the applied for services.

The eighth ground of opposition is that the applied for mark is not distinctive because it is not adapted to distinguish the applicant's services from the services of others.

The applicant filed and served a counter statement. The opponent filed two affidavits of Sandra Spadafora in support of its opposition. The applicant obtained an order for the cross-examination of Ms. Spadafora on her affidavits and a copy of the transcript of the cross-examination forms part of the record. The applicant did not file any evidence. Only the opponent filed a written argument. An oral hearing was conducted in which only the

applicant participated.

Ms. Spadafora is a legal secretary in the employ of the opponent's agents. In her affidavit of April 14, 1998, she provides certified copies of the eight third party trade-mark registrations relied on in the statement of opposition, as well as a certified copy of application No. 812,257. She also provides a document down loaded from what she states is the applicant's web site on the Internet.

In her affidavit of April 17, 1998, Ms. Spadafora provides a letter dated April 15, 1998 from the Office of the Superintendent of Financial Institutions Canada.

During the cross-examination of Ms. Spadafora, it was established that she did not personally request the letter that was attached to her affidavit of April 17. Nor did she personally obtain any of the materials that were attached to her affidavit of April 14. Ms. Spadafora's evidence is therefore largely unreliable and will be disregarded, with the exception of the certified copies.

No evidence or argument was filed to meet the opponent's initial burden with respect to the claim in its first ground of opposition that the applicant's services are not stated in ordinary, commercial terms. Accordingly, that ground of opposition is rejected.

With respect to the second and third grounds of opposition, there is an evidential burden on the opponent to prove the allegations of fact that it has pleaded [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330]. This has not been done. Also, contrary to the opponent's claim in the second ground of opposition, the application does contain the date from and the manner in which the applicant has made the mark known. The second and third grounds of opposition therefore do not succeed.

The fourth ground of opposition does not contain any supporting allegations of fact and is contrary to Paragraph 38(3)(a) of the *Act*. As it is not a proper ground of opposition, the fourth ground of opposition is unsuccessful.

Regarding the fifth ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision [see *Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers* (1991), 37 C.P.R. (3d) 538 at 541-542 (T.M.O.B.)]. Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Subsection 6(2) of the *Act*, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Subsection 6(5) of the *Act*.

On June 30, 2000, a decision was issued with respect to an opposition by the present opponent to application No. 788,588 filed by the present applicant for the same mark as that covered by the present application. Application No. 788,588 was filed on the basis of proposed use and included various insurance and financial services. The third ground of opposition in that opposition was very similar to the fifth ground of opposition in the present proceedings. I reproduce below Board Member Martin's discussion of the Subsection 6(5) factors with respect to application No. 788,588:

As for Section 6(5)(a) of the *Act*, the applicant's mark comprises a representation of a telephone with wheels which has no readily apparent meaning in relation to the applied for wares and services. At most, the representation of a telephone suggests that the applicant's wares and services are sold or provided by phone. Thus, the applicant's mark is inherently distinctive although not inherently strong. There being no evidence from the applicant, I must conclude that its mark has not become known at all in Canada.

Each of the eight registered trade-marks includes either the word PHONE or the representation of a telephone receiver therefore suggesting that the related services are provided by telephone. Thus, each of those marks is inherently weak. There being no evidence from the opponent, I must conclude that none of those marks has become known at all in Canada.

The length of time the marks have been in use is not a material circumstance in this case. As for Sections 6(5)(c) and 6(5)(d) of the *Act*, the applicant's wares differ from

the services associated with the eight registered trade-marks. On the other hand, the applicant's services are the same as, or similar to, those set out in the eight registrations. Thus, the trades of the parties could overlap.

As for Section 6(5)(e) of the Act, there is little or no visual or phonetic resemblance between the marks at issue. The two registered design marks include a representation of a telephone receiver but otherwise bear no similarity to the applicant's mark. All of the marks, including the applicant's, suggest the idea of a telephone or telephone service but that is not an idea which can be monopolized by any one trader.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the inherent weakness of the marks at issue, the absence of any reputation for those marks and the low degree of resemblance between the marks, I find that the applicant's mark is not confusing with any of the eight registered marks relied on by the opponent.

It is true that the present proceedings differ from those with respect to application No. 788,588 to the extent that the present application was filed based on making known since 1990 and covers slightly different services. However, the differences in the services do not detract from the conclusions drawn by Mr. Martin and the claim of making known only strengthens the applicant's position with respect to certain of the Subsection 6(5) factors.

For reasons similar to those set out by Mr. Martin above, I find that the applicant's mark is not confusing with any of the eight registered marks relied upon by the opponent, because of the inherent weakness of the marks in issue, the lack of evidence of any acquired distinctiveness of any of the marks, and the low degree of resemblance between the marks. The fifth ground of opposition therefore fails.

As for the sixth ground of opposition, the opponent has failed to meet its evidential burden to prove the underlying allegations of fact. The sixth ground is therefore unsuccessful.

The seventh ground of opposition fails as it does not properly plead a non-entitlement ground of opposition.

The eighth ground of opposition fails because the opponent did not provide supporting

allegations of fact and the ground does not comply with Paragraph 38(3)(a) of the *Act*. Even if I interpreted this ground of opposition as being further particularized by the preceding allegations so that the ground is that the applicant's mark is not capable of distinguishing its services from those of the third parties referred to in the fifth ground of opposition, I would conclude that the non-distinctiveness ground fails for reasons similar to those discussed above with respect to the fifth ground of opposition. The differences in the date at which confusion is to be considered with respect to the two grounds would not affect my conclusion regarding the likelihood of confusion.

Having been delegated by the Registrar of Trade-marks by virtue of Subsection 63(3) of the *Trade-marks Act*, I reject the opponent's opposition pursuant to Subsection 38(8) of the *Act*.

DATED AT TORONTO, ONTARIO, THIS 29TH DAY OF JANUARY, 2001.

Jill W. Bradbury
Hearing Officer
Trade-marks Opposition Board