

**IN THE MATTER OF AN OPPOSITION
by ACIC (Canada) Inc. to application No.
752,821 for the trade-mark ACIC filed by
ACI Central Incorporated**

On April 26, 1994, the applicant, ACI Central Incorporated, filed an application to register the trade-mark ACIC based on proposed use in Canada. The application, as advertised on September 6, 1995, covered the services of “technical consulting and research in the field of engineering.” On April 6, 1998, the statement of services was amended to read as follows:

technical consulting and research in the field of engineering, namely for boilers, pressure vessels, and pressure piping systems.

The opponent, ACIC (Canada) Inc., filed a statement of opposition on January 24, 1996 and a revised statement on March 1, 1996. A copy of the revised statement was forwarded to the applicant on April 4, 1996. The first ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3)(c) of the Trade-marks Act because, as of the applicant’s filing date, the applied for trade-mark was confusing with the trade-name ACIC previously used by the opponent in Canada in association with

...the fine chemical manufacture of medicines in Canada and elsewhere, the importation of bulk active medicine and sale to the pharmaceutical industry and others in Canada, and the research and development of medicines and their manufacture in Canada.

The second ground is that the applied for trade-mark is not distinctive because it is confusing with the opponent’s trade-name.

The applicant filed and served a counter statement. As its evidence, the opponent submitted an affidavit of its former President, Luciano Calenti. As its evidence, the applicant submitted an affidavit of its Managing Director, W.A. Miller West. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

As for the first ground of opposition, there is an initial burden on the opponent to evidence use of its trade-name prior to the applicant’s filing date. There is also a burden on the opponent to show non-abandonment of its trade-name as of the applicant’s advertisement

date. Although the opponent's evidence on point is not as detailed as one might like, it is sufficient to meet those two burdens.

Mr. Calenti states that the opponent's primary business was the manufacture and sale of the active ingredients of medicines to pharmaceutical companies in Canada and elsewhere. Mr. Calenti states that the opponent made sales of over \$10 million a year for many years and that it used an invoice of the type shown in Exhibit A to his affidavit which bears the trade-name ACIC in the upper left hand corner. I can therefore conclude that the opponent used the trade-name ACIC in association with its business for a number of years prior to the applicant's filing date. Furthermore, those activities spanned the applicant's advertisement date thereby satisfying the opponent's second evidential burden.

In view of the above, the first ground remains to be decided on the issue of confusion between the applicant's trade-mark and the opponent's trade-name. As set out in Section 16(3) of the Act, the material time for considering the circumstances respecting that issue is as of the applicant's filing date. Furthermore, in applying the test for confusion set forth in Section 6(3) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, the applicant's mark and the opponent's name are both comprised of initials and are therefore inherently weak: see GSW Ltd. v. Great West Steel Industries Ltd. (1975), 22 C.P.R.(2d) 154 (F.C.T.D.). The applicant's application is based on proposed use and its mark was therefore not known at all in Canada as of the material time. Mr. Calenti has attested to significant sales by the opponent but it is not apparent how extensively its trade-name was used in Canada in association with those sales. In any event, the opponent's market is a very limited one consisting of pharmaceutical companies who manufacture drugs for retail sale. Thus, whatever reputation the opponent's trade-name may have is limited to a relatively small number of people who deal in bulk purchases from the opponent.

The length of time the mark and name have been in use favors the opponent. As for

Sections 6(5)(c) and (d) of the Act, the applicant's services are completely different from the opponent's business. The opponent manufactures and sells fine medicines in bulk to pharmaceutical companies for use in the manufacture of drug products for retail sale. The applicant provides a centralized service to the makers and vendors of boilers and pressure vessels to help them achieve cross-Canada certification in view of the varying legislative and regulatory requirements in each province and territory. The trades of the parties appear to be entirely separate.

At the oral hearing, the opponent's agent submitted that the opponent also performed chemical engineering services for others in association with its trade-name. However, the evidence does not support that contention. Even if it had, such services would also appear to be quite different from those performed by the applicant.

As for Section 6(5)(e) of the Act, the applicant's trade-mark and the opponent's trade-name are identical.

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 differences between the services, business and trades of the parties and the inherent weakness of the initials ACIC and notwithstanding the identity of the mark and name, I find that the applicant has satisfied the onus on it to show that there was no reasonable likelihood of confusion as of the applicant's filing date. The first ground is therefore unsuccessful.

As for the second ground of opposition, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its services from those of others throughout Canada: see Muffin Houses Incorporated v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Furthermore, the material time for considering the circumstances respecting this issue is as of the filing of the opposition (i.e. - January 24, 1996): see Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991), 37

C.P.R.(3d) 412 at 424 (F.C.A.). Finally, there is an evidential burden on the opponent to prove the allegations of fact in support of its ground of non-distinctiveness.

The second ground essentially turns on the issue of confusion between the applicant's mark and the opponent's name. Nothing of significance turns on the fact that there is a later material time for the second ground. Thus, my conclusions respecting the first ground are also applicable respecting the second ground and the applicant's mark was not confusing with the opponent's trade-name as of the filing of the opposition. The second ground is therefore also unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 17th DAY OF DECEMBER, 1998.

**David J. Martin,
Member,
Trade Marks Opposition Board.**