

**IN THE MATTER OF AN OPPOSITION by
Modis, Inc. to application No. 882,376
for the trade-mark MODIS
filed by Modis Communications Inc.**

On June 25, 1998, the applicant, Modis Communications Inc., filed an application to register the trade-mark MODIS. The application is based upon use of the trade-mark in Canada in association with the following services:

- (1) Computer consulting services namely employment placement services, computer diagnostic services, computer installation and repair, computer software design services since April 1996;**
- (2) Computer consulting in relation to the global information network; web site computer design; computer data base management and design services since December 1996.**

The application was advertised for opposition purposes in the Trade-marks Journal of May 31, 2000. The opponent, Modis Communications Inc., filed a statement of opposition on July 21, 2000. There are five grounds of opposition:

- 1. the application does not conform to the requirements of paragraph 30(b) of the *Trade-marks Act* in that the applicant falsely states that the mark has been used by the applicant in Canada;**
- 2. the application does not conform to the requirements of paragraph 30(i) of the *Trade-marks Act* in that the applicant was aware of the opponent's trade-marks MODIS & Design, MODIS SOLUTIONS and MODIS PROFESSIONAL SERVICES when it filed its application;**

3. the applicant is not the person entitled to the registration of the mark pursuant to paragraph 16(3)(b) of the *Trade-marks Act* in that, at the date on which the applicant filed its application, the mark was confusing with the trade-marks MODIS & Design, MODIS SOLUTIONS and MODIS PROFESSIONAL SERVICES in respect of which applications for registration had been previously filed in Canada by the opponent's predecessor in title;
4. alternately, the applicant is not the person entitled to the registration of the mark pursuant to paragraph 16(1)(b) of the *Trade-marks Act* in that, at the date on which the applicant filed its application, the mark was confusing with the trade-marks MODIS & Design, MODIS SOLUTIONS and MODIS PROFESSIONAL SERVICES in respect of which applications for registration had been previously filed in Canada by the opponent's predecessor in title;
5. the mark is not distinctive in that it does not distinguish and is not adapted to distinguish the services of the applicant, as described in application number 882,376 from the wares or services of others.

The applicant filed and served a counter statement in which it denied each of the allegations in the statement of opposition and pleaded that the opponent's section 16 grounds of opposition are unfounded because the filing dates of the opponent's trade-mark applications postdate the applicant's claimed dates of first use. I note however that where an opponent successfully challenges an applicant's claimed date of first use, the material date for assessing a section 16 ground may become the applicant's filing date.

The opponent filed as its evidence the affidavits of Andrian (Abe) Snidanko, Marc M. Mayo, Sheri O'Brien, Nicholas McHaffie, Rachel Dudelzak, Tina Campagna, and Nicole Brousseau.

Mr. Snidanko, a private investigator, details the investigations that he conducted in an effort to locate Richard Godwin (the applicant's principle) or Modis Communications Inc. Although he did eventually find Mr. Godwin and was aware of the website www.modis.com, he never found "any evidence of an ongoing business called 'Modis Communications Inc.' or any services being performed in association with the trade mark MODIS."

Mr. Mayo, the opponent's Senior Vice President and Secretary, informs us that the opponent was incorporated in 1997 and is now one of the world's leading providers of information technology, consulting services and solutions. He provides copies of his company's Canadian trade-mark applications Nos. 887,640 and 889,974 for MODIS Design and MODIS SOLUTIONS. Both applications were filed after the present application but each one claims a convention priority filing date that predates the filing of the applicant's application. Both applications are based upon proposed use of the trade-mark in Canada in association with the following services:

Consulting services in the field of information technology, namely, software development and maintenance, project management, systems analysis, database administration, hardware and software technical support, network support and technical writing, resource planning, software implementation, systems integration, data warehousing, life cycle application development, process re-engineering, management consulting, object oriented development, web development, technology architecture and strategic analysis and planning services.

The opponent has licensed its wholly owned subsidiary, Modis International Co., to use its marks in Canada and Modis International Co. has continuously used the trade-mark MODIS Design in Canada, with the opponent controlling the character and quality of its services. Modis International Co. has provided IT services to Canadian clients in association with the MODIS Design mark since January 2000 and its related annual revenue exceeded 17 million in 2000.

Mr. Mayo has provided copies of invoices issued to Canadian clients for IT services performed by Modis International Co., which bear the MODIS Design mark. Mr. Mayo has also provided informational flyers, stationery, business cards and advertisements that bear the MODIS Design mark and that have been distributed/used in Canada.

Ms. O'Brien, the opponent's Senior Vice-President – Operations, details various discussions between the parties concerning the sale by Mr. Godwin of the applicant's rights in the domain name modis.com.

Ms. Campagna, a secretary, accessed the site www.modis.com on March 27, 2001.

Mr. McHaffie, a solicitor, details the results of searches that he conducted for domain names in the name of Mr. Godwin. He located at least 64 such names. Thirteen of these link to a third party website and of the remaining only 5 have active websites. Mr. McHaffie states that at the time of his searches, April 2001, modis.com had “a quasi-active web-site in that only an error message appears”.

Ms. Brousseau, a lawyer, provides a copy of a Corporation Profile Report concerning Modis Communications Inc.

Ms. Dudelzak, a student-at-law, conducted telephone directory searches for Modis Communications Inc. and located one in the Bell Directory for Metropolitan Toronto and Vicinity April 1997-1998. She did not find any such listing in the 1995-1996, 1996-1997, 1998-1999, 1999-2000 or 2000-2001 directories.

The applicant filed the affidavit of Richard Godwin as its evidence. The opponent obtained an order for the cross-examination of Mr. Godwin but a cross-examination was not conducted.

Mr. Godwin, the applicant's President, has been its sole shareholder since its inception on April 10, 1996. Mr. Godwin provides a copy of the applicant's Articles of Incorporation and a copy of its Corporation Profile Report as at October 23, 2001.

Mr. Godwin attests, "In April 1996, I began using the trade mark in conjunction with Modis Communications Inc. for 'telecommunication services' and including 'computer consulting services namely employment placement services, computer diagnostic services, computer installation and repair, computer software design services.'" He further attests, "In December 1996, Modis Communications Inc. began using the trade mark MODIS [in] conjunction with 'computer consulting in relation to the global information network; web sites computer design; computer data base management and design services'." He also says, "The business of Modis

Communications Inc. in association with the trade mark MODIS with sales of approximately \$165,000 from April 1996 to April 1998. [sic]”

The documentary evidence provided by Mr. Godwin includes:

- an affinity agreement between the applicant and several parties dated September 13, 1996 which outlines several independent contractor relationships, in particular it arranges for the applicant to market one of the party’s telecommunications services (although the agreement makes no reference to computer consulting and staffing services, Mr. Godwin states that such services were also provided)
- a commission cheque payable to Richard Godwin, Modis Communications, Inc. dated October 31, 1996
- two cheques dated May 1997 payable to Modis Communications Inc., which Mr. Godwin states were for “regular consulting and staffing services”.

Mr. Godwin attests, “the core part of my business is conducted via the global information network through advertising on my web site and correspondence via e-mails since December 1996 to the present”. He states that www.modis.com was registered in December 1996 and provides a one-page printout from www.modis.com printed November 16, 2001. I reproduce paragraphs 21 and 22 of his affidavit below:

21. Since the fall of 1997 to present I have received approximately 40,000 telephone calls to 604-938-0548 and 604-938-0590 and approximately 40,000 e-mails for MODIS to modis.com. Due to apparent confusion in the marketplace, which appears to have been caused by the opponent, it is estimated that approximately 75% of the telephone calls and approximately 35,000 of the e-mails did not appear to be intended for my company. Since the fall of 1997 the increase of telephone calls and e-mails became overwhelming.

22. On or about March 1996 [sic] the web site www.modis.com was scaled down to only the home page and the address and telephone number were removed from the site. continues [sic] in association with the trade mark MODIS. The business of MODIS became increasingly difficult to continue, but still is carried on from the web site www.modis.com from pages that are unreachable from the home page. The business of MODIS also is continued through word of mouth.

I shall assume that the reference to March 1996 in paragraph 22 above is an error as it is inconsistent with Mr. Godwin's statement that the web site was not registered until December 1996.

Although Mr. Godwin discusses several other matters in his affidavit, I do not consider it necessary to reiterate them.

Each party filed a written argument. An oral hearing was held at which only the opponent was represented.

The material time for considering the circumstances respecting the issue of the applicant's compliance with section 30 is the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469 at 475]. The legal burden is on the applicant to show that its application complies with section 30 but, to the extent that the opponent relies on allegations of fact in support of its section 30 grounds, there is an evidential burden on the opponent to prove those allegations [see *Joseph E. Seagram & Sons Ltd. et al. v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325 at 329-330]. To meet the evidential burden upon it in relation of a particular issue, the opponent must adduce sufficient admissible evidence from which it could reasonably be

concluded that the facts alleged to support that issue exist [see *John Labatt Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293 at 298]. However, the initial evidential burden on the opponent respecting the issue of non-compliance with subsection 30(b) is a light one and this burden can be met by reference not only to the opponent's evidence but also to the applicant's evidence [see *Tune Masters v. Mr. P's Mastertune*, 10 C.P.R. (3d) 84 at 89; *Labatt Brewing Company Limited v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) (F.C.T.D.) 216 at 230]. I find that the opponent has met this evidential burden. The evidence does support a conclusion that the applicant did not use MODIS since the dates claimed in association with the applied for services.

I turn now to the applicant's evidence to assess if it has met its burden under subsection 30(b).

The Act sets out in subsection 4(2) that a trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services. This means that the services need not have been performed in Canada; there is use of a trade-mark in association with services if the services are offered to prospective customers in Canada in association with the mark and the services are available to be performed in Canada [see *Wenward (Canada) Ltd. v. Dynaturf Co.*, 28 C.P.R. (2d) 20]. Subsection 30(b) requires that there be continuous use of the applied for trade-mark in the normal course of trade since the date claimed [see *Labatt Brewing Company Limited v. Benson & Hedges (Canada) Limited and Molson Breweries, a Partnership* (1996), 67 C.P.R. (3d) 258 at 262 (F.C.T.D.); *Parfums Christian Dior v. Lander Co. Canada Ltd.* 6 C.P.R. (4th) 257 at 266 (T.M.O.B.)].

I conclude that the applicant has not met its burden with respect to the services described as “computer consulting services namely employment placement services, computer diagnostic services, computer installation and repair, computer software design services” for the following reasons. Mr. Godwin makes the bald statement, “In April 1996, I began using the trade mark in conjunction with Modis Communications Inc. for ‘telecommunication services’ and including ‘computer consulting services namely employment placement services, computer diagnostic services, computer installation and repair, computer software design services’.” However, Mr. Godwin provides no details concerning how the MODIS trade-mark was associated with his company’s services as of April 1996. The mere incorporation of Modis Communications Inc. in April 1996 does not qualify as use of MODIS. The only exhibit that displays the MODIS trade-mark is the printout of the applicant’s web page www.modis.com but according to Mr. Godwin, www.modis.com was not registered until December 1996. There is therefore no evidence that shows use of the MODIS trade-mark as of April 1996, with the result that the subsection 30(b) ground of opposition succeeds with respect to “computer consulting services namely employment placement services, computer diagnostic services, computer installation and repair, computer software design services”.

I also conclude that the subsection 30(b) ground of opposition succeeds with respect to computer consulting in relation to the global information network; web site computer design; computer data base management and design services. Mr. Godwin states that www.modis.com was registered in December 1996, but he does not say that the web page shown in exhibit “G” (or any other web page) was up and running in December 1996. Mr. Godwin may have assumed that the mere registration of a domain name qualifies as use, but this is not correct.

The opponent has asked me to also find that the applicant could not have been satisfied that it was entitled to use MODIS on the basis that it was acting in bad faith and applied to register the mark in support of a cyber-squatting business. However, given that the opposition has already succeeded under the subsection 30(b) ground, I will not discuss this ground further. For the same reason, I will not consider further any of the remaining grounds of opposition except to say that the applicant's own evidence suggests that MODIS was not distinctive of it since at least the fall of 1997.

In view of the above, and having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the *Trade-marks Act*, pursuant to the provisions of subsection 38(8) of the Act I refuse the application.

DATED AT TORONTO, ONTARIO, THIS 22nd DAY OF SEPTEMBER, 2004.

**Jill W. Bradbury
Member
Trade-marks Opposition Board**