

**IN THE MATTER OF AN OPPOSITION  
by Canada Employment and Immigration  
Commission to application No. 626,812  
for the trade-mark CHOICES INCREASING  
YOUR OPTIONS & Design filed by U S West  
Education Foundation**

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**On March 7, 1989, U S West Education Foundation (based in Seattle, Washington, United States of America) filed an application to register the trade-mark CHOICES INCREASING YOUR OPTIONS & Design, illustrated below,**

**for the wares**

- (1) "educational materials - namely, booklets, information sheets, pamphlets, course instruction books and brochures dealing with educational opportunities and importance of education for students,"**
- (2) "educational materials - namely, pamphlets, course instruction books and brochures dealing with educational opportunities and importance of education for students,"**

**and for the services**

- (3) educational services namely, conducting seminars and lectures concerned with the importance of education and educational opportunities.**

**The application is based on use of the mark in Canada since at least as early as May 1986 for the wares marked (1), and based on use and registration of the mark in the United States of America (on December 1, 1987 under No. 1,467,2600) for the wares marked (2) and for the services marked (3). The stippling shown in the illustration of the applied for mark, above, is a feature of the mark and does not indicate colour.**

Several objections to the application were raised at the examination stage, including the objection that the applied for mark was confusing with the mark CHOICES, regn. No. 250,179, owned by Canadian Patents and Development Limited (hereinafter "CPDL"), covering the wares "computerized career information system; computer printouts" and the service "to assist people in making career decisions." The applicant was able to overcome the examiner's objections, and the subject application was advertised for opposition purposes on May 23, 1990. CPDL filed a statement of opposition on September 19, 1990, a copy of which was forwarded to the applicant on October 15, 1990.

The first ground of opposition is that the applied for mark is not registrable, pursuant to Section 12(1)(d) of the Trade-marks Act, because it is confusing with the opponent's registered marks CHOICES and CHOIX (regn. Nos. 250,179; 250,710, respectively) covering the wares and services mentioned earlier. The second and third grounds of opposition are not pleaded as clearly as they might be, however, it appears that the opponent is relying on Sections 16(1) and 16(2) and alleging that the applicant is not the person entitled to register the applied for mark. The final ground of opposition is that the applied for mark is not distinctive of the applicant's wares and services "having regard to the continuous use in Canada of the opponent's registered trade-marks CHOICES and CHOIX " since prior to May 1986. The applicant filed and served a counter statement in response.

The administration and control of the above mentioned registrations for the marks CHOICES and CHOIX were subsequently transferred from CPDL (apparently an agent of her Majesty the Queen) to Canada Employment and Immigration Commission (hereinafter "the Commission"). CPDL was dissolved and these proceedings continued in the name of the Commission: see the board ruling dated March 13, 1992. The file record shows that the Commission was recorded as the owner of the above mentioned registrations on June 26, 1992.

The opponent's evidence consists of the affidavit of Claude Lapointe, sworn May 17, 1991. Mr. Lapointe is Manager of Marketing and Sales for a division of STM Systems Corp., formerly a registered user of trade-marks CHOICES and CHOIX (i.e., prior to the

rescindment of the registered user provisions of the Act on June 9,1993). Mr. Lapointe was cross-examined on his affidavit and the transcript thereof, exhibits thereto, and answers to undertakings made at the cross-examination form part of the record of this proceeding. The applicant's evidence consists of the affidavit of Herbert McPhail, trade-mark searcher. The opponent did not file any evidence in reply. Both parties filed written arguments and both were represented at an oral hearing.

Mr. Lapointe's evidence may be summarized as follows. As mentioned earlier, his company STM was a registered user of the opponent's marks CHOICES and CHOIX for a computer software program intended to be used by students for assisting with career choices. His company also provides printed materials ancillary to the software, and offers training to guidance counsellors and teachers who would introduce STM's software to the students. STM markets its product to "counsellors, teachers, superintendents, librarians, anyone who would be preoccupied or interested by career planning or career development": see p.23 of Mr. Lapointe's transcript of cross-examination. 90% of STM's sales of its wares and services ("the product") under the marks CHOICES and CHOIX are to the education market, i.e., to school boards or to individual schools. The product is not purchased outright but leased, usually for a three year term, and users pay a yearly fee for a product that is updated annually. Mr. Lapointe's testimony is that the dollar value of fees collected by STM for its product leased under the marks CHOICES and CHOIX has been in excess of \$1 million per year for the period 1986 - 1990 inclusive. One of the questions put to Mr. Lapointe on cross-examination was whether he was aware "of any actual business conflict situations that have arisen [between his product and the applicant's]." His answer was yes; that in the Niagara Peninsula Education and Industry Council district, where the applicant conducted seminars on career planning, "people believe that they have been through our product because of attending those seminars and when our product is presented then the audience, I would say the high school students, are confused because they believe they went through it.": see pp. 16-17 of the transcript. Mr. Lapointe's above quoted evidence is hearsay as the matter was brought to his attention by STM's clients. Nevertheless, considering the source of the information, I give it some weight.

With respect to the ground of opposition alleging that the applied for mark is not distinctive of the applicant's product, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares and services from those of others throughout Canada: see Muffin Houses Inc. v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (TMOB). The presence of a legal burden means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against that the applicant. The material time for considering the circumstances respecting the issue of distinctiveness is as of the filing of the opposition, in this case September 19, 1990: see Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.); Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.). Further, I am permitted to take into account evidence of all the surrounding circumstances including, for example, the parties' sales under their respective marks up to the material date: see Castle & Cooke, Inc. v. Popsicle Industries Ltd. (1990), 30 C.P.R.(3d) 158 (TMOB).

The applicant relies on the contents of Exhibit C of the McPhail affidavit namely, a promotional brochure entitled A seminar on the importance of education for 9th grade students published by the applicant, to argue that the nature of the applicant's product is different from the nature of the opponent's product. However, there is no evidence that Mr. McPhail, who identifies himself as a trade-mark searcher in Ottawa, has any connection with the applicant. Further, Mr. McPhail's evidence is that Exhibit C was "sent to us [the applicant's Canadian agents] by the United States representatives of the applicant . . ." Thus, it appears that Mr. McPhail is not competent to testify about the applicant's activities as described in Exhibit C and consequently the contents of Exhibit C are inadmissible hearsay when relied upon by the applicant. At best, Exhibit C merely proves the existence of a promotional brochure published by the applicant. If I were to take into account the contents of Exhibit C, I would conclude from it that the nature of the parties' products are very similar, except that the applicant does not employ computers. I come to the same conclusion by considering STM's activities as revealed by the evidence of record and by considering the description of the wares and services in the subject application. Similarly, regardless of

whether the contents of Exhibit C are considered, I conclude that the parties' activities are directed to the same or to overlapping market sectors namely, elementary schools and junior high schools.

The applicant relies on Mr. McPhail's affidavit evidence to establish that "the register [of trade-marks] is very crowded with marks which include the word CHOICE in association with wares and services pertaining to education and career guidance." In fact, Mr. McPhail's affidavit shows nine such registrations standing in the names of six different owners ( I have discounted regn. No. 294,818 for "computer software and programs" because there is no evidence showing that the software is for educational or career counselling purposes). State of the register evidence is only relevant in so far as one can make inferences from it about the state of the marketplace: see Ports International Ltd. v Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 (TMOB) and Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). See also Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd. (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the register can only be drawn from state of the register evidence where large numbers of relevant registrations are located. Considering the relatively low number of registrations evidenced by the applicant and considering that there is no evidence showing actual use of those marks, I am not prepared to infer that consumers are accustomed to distinguishing among marks (for educational and career counselling products) which include the component CHOICE on the basis of components other than the word CHOICE.

The applicant notes in its written argument that Mr. Lapointe's evidence reveals "a very complicated chain of title, mergers, name changes and amalgamations with respect to the parties recorded as registered users under the opponent's marks . . . ." That is a fair observation. Not surprisingly, at cross-examination Mr. Lapointe was unable to respond adequately to questions touching on corporate reorganizations; however, the answers to undertakings dated June 8, 1992 satisfactorily describe those reorganizations. Some questions, apart from corporate histories, were not resolved. For example, it is still unclear whether the misnomer Canada Systems Group, recorded as a registered user of the opponent's

mark CHOICES from 1982 to 1990, refers to the entity Canada Systems Group Limited or to the entity Canada Systems Group Holding Limited. In any event, the latter two companies merged on September 16, 1988 and the shares of the merged company were acquired by STM on the same day (under STM's previous name Datacrown Corp.). Also on the same day, all of the assets and liabilities of the merged company were transferred by STM to another company (the aforementioned merged company was dissolved soon after) with which STM subsequently amalgamated, in 1991. The original opponent CPDL and STM executed an application to record the latter as a registered user of the marks CHOICES and CHOIX on September 20, 1988; for some unknown reason, the application was not filed with the Office until October 24, 1990. In any event, the applicant at the oral hearing conceded that STM, its predecessors and successors, were licensed to use the opponent's marks CHOICES and CHOIX in accordance with Section 50(1). I might have come to the same conclusion based on Mr. Lapointe's testimony on page 13 of his transcript of cross-examination and based on the answers to undertakings dated August 18, 1992.

It is clear, however, that Mr. Lapointe's testimony regarding STM's sales of its software under the mark CHOICES for the period 1986 to 1990 is misleading because STM did not come into existence until August 1987: see answers to undertakings dated June 8, 1992. Some of those sales were likely made by the opponent's other registered user namely, either Canada Systems Group Limited or Canada Systems Group Holding Limited (or its predecessors or successors). In this regard, nevertheless, I doubt that Mr. Lapointe intentionally misrepresented any facts. From the transcript of cross-examination he appears to be a sincere and forthright witness. Mr. Lapointe's imprecision regarding which particular entity made sales at a particular time is to some extent understandable given the number of corporate entities, and name changes, involved between 1986 and 1990 and the close affiliations among them. At the oral hearing, the agent for the opponent submitted that those affiliations created "a closely held single corporate group"; the agent for the applicant was of the same view.

Considering that the applied for mark resembles the opponent's mark

**CHOICES to a fair extent aurally, although perhaps less so visually, and that the ideas suggested by the parties' marks are the same, that the opponent's mark CHOICES was known to a certain extent at the material date September 19,1990 as a result of sales by its licensed users and that there is no evidence showing that the applied for mark was known to any extent, that the parties' products and channels of trade are essentially the same or overlapping, and that there is some evidence of at least one instance of actual confusion between the marks in issue, I find that the applied for mark was not distinctive of the applicant's wares and services at the material date September 19, 1990. The same result would follow even if the opponent's licensed users were not using the mark CHOICES in compliance with Section 50(1); in this regard, an opponent need not rely on its own use of a mark to support a ground of opposition alleging non-distinctiveness but may rely on use of a mark by third parties.**

**In view of the above, the application is refused. It is therefore not necessary for me to consider the remaining grounds of opposition.**

**I would add, however, that I likely would have found that the applied for mark was confusing with the opponent's mark CHOICES had I considered that issue at the later material date namely, the date of my decision, with respect to the ground of opposition pursuant to Section 12(1)(d).**

**DATED AT HULL, QUEBEC, THIS 30th DAY OF November, 1994.**

**Myer Herzig,  
Member,  
Trade-Marks Opposition Board**