



LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADE-MARKS

**Citation: 2011 TMOB 70**  
**Date of Decision: 2011-05-16**

**IN THE MATTER OF AN OPPOSITION by  
Assurant, Inc. and Canadian Tire Financial  
Services Limited to application No. 1,267,298  
for the trade-mark CHARGE GUARD in the  
name of Vindicia, Inc.**

[1] On August 4, 2005, Vindicia, Inc. (the Applicant) filed an application to register the trade-mark CHARGE GUARD (the Mark) based upon proposed use of the Mark in Canada. The statement of wares and services, as revised, reads as follows:

(1) Computer software to provide chargeback recovery analysis, reports, dispute history and recovery services; computer software to manage, track and control fraud in online e-commerce transactions. (1) Business consulting and advisory services in the fields of e-commerce billing and online transaction billing; providing non-legal chargeback dispute negotiation and mediation services to others. Financial services namely financial and credit transaction risk assessment and outsourced chargeback recovery services; credit card chargeback analysis [sic] and management services; identifying and managing high risk chargeback customers and transactions; credit chargeback recovery services.

[2] The application is also based upon use and registration of the Mark in the United States of America. It further claims priority of the corresponding trade-mark application filed on February 11, 2005 under No. 78/566,137 in that country.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* of August 27, 2008.

[4] On January 27, 2009, American Bankers Life Assurance Company of Florida and Canadian Tire Financial Services Limited filed a statement of opposition as joint opponents claiming that the application does not conform to the requirements of s. 30(d) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act). The statement of opposition also claims that the Mark is not registrable pursuant to s. 12(1)(d) of the Act, that it is non-distinctive of the Applicant pursuant to s. 2 and 38(2)(d) of the Act, and that the Applicant is not the person entitled to registration of the Mark pursuant to s. 16 of the Act in view of the fact that the Mark is confusing with the opponent American Bankers Life Assurance Company of Florida's trade-mark CHARGE-GARD, previously used and registered under No. TMA236,554 in association with the following services: "(1) Underwriting insurance designed to indemnify [sic] customers against inability to pay charge account balances".

[5] The Applicant filed and served a counter statement in which it denies the opponents' allegations. The Applicant further pleads that American Bankers Life Assurance Company of Florida is not a proper party to the opposition since it did not request in a timely fashion a proper extension of time to oppose.

[6] On April 16, 2009, the opponents sought leave to amend the statement of opposition so as to remove Canadian Tire Financial Services Limited as joint opponent, which request was objected to by the Applicant. By way of Office Letter dated June 1, 2009, leave was refused by the Registrar. The Registrar was of the view that American Bankers Life Assurance Company of Florida's request was a request to substitute an opponent given that the original extension of time was filed by Canadian Tire Financial Services Limited. The Registrar was of the view that this can only be done when the underlying rights of the original opponent have been transferred to the new opponent.

[7] On February 18, 2010, the opponents further sought leave to amend the statement of opposition so as to replace American Bankers Life Assurance Company of Florida with Assurant, Inc. by reason of the fact that the trade-mark CHARGE-GARD, registered under No. TMA236,554, referred to in the statement of opposition was assigned from American Bankers Life Assurance Company of Florida to Assurant, Inc. on November 24, 2009. By way of

Office Letter dated March 23, 2010, leave was granted by the Registrar to so amend the statement of opposition.

[8] The Applicant thereafter obtained leave from the Registrar to amend its counter statement of opposition accordingly, by adding that the pleading that the initial opponent American Bankers Life Assurance Company of Florida was not a proper party to the opposition applies to Assurant, Inc. as the alleged successor in title.

[9] In support of their opposition, the joint opponents filed the affidavit of Michael Godwin, President of Michael Godwin & Associates Inc., a company that specializes in searching the records of the Canadian Intellectual Property Office (CIPO), sworn July 31, 2009 and a certified copy of registration No. TMA236,554 for the CHARGE-GARD trade-mark. The Applicant elected not to file any evidence.

[10] Both parties filed written arguments and attended at an oral hearing.

#### Preliminary objection

[11] As indicated above, the Applicant has pleaded in its counter statement that neither the initial opponent American Bankers Life Assurance Company of Florida nor its assignee Assurant, Inc. is a proper party to the opposition given that American Bankers Life Assurance Company of Florida did not request in a timely fashion a proper extension of time to oppose. As this objection was withdrawn at the oral hearing, it is not necessary to address it further.

[12] That said, I will hereinafter collectively refer to the joint opponents Canadian Tire Financial Services Limited and Assurant, Inc. and the former opponent American Bankers Life Assurance Company of Florida, as the Opponent.

#### Onus

[13] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidentiary

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.); and *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

[14] Applying these principles to the instant case, the only ground of opposition the Registrar must decide on is that based on s. 12(1)(d) of the Act. The s. 30(d) ground of opposition, as well as the grounds of opposition based upon non-entitlement of the Applicant pursuant to s. 16 of the Act and non-distinctiveness of the Mark pursuant to s. 2 and 38(2)(d) of the Act can be summarily dismissed as follows:

- Non-compliance with s. 30(d) of the Act: The Opponent has pleaded that the Applicant's application does not comply with the requirement of s. 30(d) of the Act "in that the Applicant has not used the [Mark] in the United States on the wares and/or services listed in the application". There is no evidence whatsoever that puts into issue the correctness of the use and registration abroad basis claimed in the Applicant's application. In the absence of any evidence suggesting that the Applicant has not used the Mark in the United States as claimed in its application, the Applicant is under no obligation to positively evidence such use. Accordingly, the Opponent has failed to discharge its evidentiary burden.
- Non-entitlement pursuant to s. 16 of the Act: The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark "in that, at the filing date, and the priority filing date of the [a]pplication, the [Mark] was confusing with the above-mentioned trade-mark CHARGE-GARD, which had been previously used in Canada, and had not been abandoned at the date of advertisement of the [a]pplication". An opponent meets its evidentiary burden under such ground if it shows that as of the date of filing of the applicant's application, its trade-mark had been previously used in Canada and had not been abandoned as of the date of advertisement of the applicant's application [s. 16(5) of the Act]. The Opponent has not filed any evidence of use of its trade-mark CHARGE-GARD. The mere filing of a certified copy of registration No. TMA236,554

can establish no more than *de minimis* use of the CHARGE-GARD trade-mark [see *Entre Computer Centers, Inc. v. Global Upholstery Co.* (1992), 40 C.P.R. (3d) 427 (T.M.O.B.)]. Such use does not meet the requirements of s. 16 of the Act [see *Roos, Inc. v. Edit-SRL* (2002), 23 C.P.R. (4th) (T.M.O.B.)]. Thus, the Opponent has failed to meet its evidentiary burden.

- Non-distinctiveness pursuant to s. 2 and 38(2)(d) of the Act: The Opponent has pleaded that the Mark is not distinctive “in that it does not distinguish nor is it adapted to distinguish the wares and services of the Applicant from the wares of others, including the services of the [Opponent], given the likelihood of confusion between the [Mark] and the above-mentioned trade-mark CHARGE-GARD, used in Canada in association with services that overlap with the wares and services of the Applicant”. An opponent meets its initial onus with respect to a non-distinctiveness ground if it shows that as of the filing of the opposition its trade-mark had become known to some extent at least to negate the distinctiveness of the applied-for mark [see *Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D.)]. The Opponent has not filed any evidence demonstrating the extent to which its trade-mark CHARGE-GARD or other marks similar to the Mark have become known in Canada. Thus, the Opponent has failed to meet its evidentiary burden.

[15] I will now turn to the non-registrability ground of opposition pursuant to s. 12(1)(d) of the Act.

#### Section 12(1)(d) ground of opposition

[16] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of s. 12(1)(d) of the Act in that “it is confusing with the [...] trade-mark CHARGE-GARD, TMA236,554 registered for use in association with ‘underwriting insurance designed to indemnify [sic] customers against inability to pay charge account balances’”.

[17] The material date to assess a ground of opposition based on 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.)].

[18] The Opponent has provided a certified copy of its registration. I have exercised the Registrar's discretion to confirm that it is in good standing as of today's date.

[19] As the Opponent's evidentiary burden has been satisfied, the Applicant must therefore establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's CHARGE-GARD trade-mark.

[20] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[21] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at s. 6(5) of the Act, namely: (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. This list is not exhaustive; all relevant factors are to be considered, and are not necessarily attributed equal weight [see *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.); and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée* (2006), 49 C.P.R. (4th) 401 (S.C.C.) for a thorough discussion of the general principles that govern the test for confusion].

[22] Neither mark is inherently strong since, in the context of the parties' wares or services, they are both suggestive of their associated wares or services. It is to be noted that the Opponent's registration for the CHARGE-GARD trade-mark expressly includes a disclaimer of the right to the exclusive use of the word CHARGE apart from the trade-mark.

[23] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. However, there is no evidence that the Applicant has commenced use of its proposed use Mark in Canada or that the Mark has become known to any extent whatsoever in Canada.

[24] Turning to the Opponent's trade-mark, while the Opponent's registration claims use of the mark in Canada since at least as early as January 11, 1978, the Opponent provided no evidence, whatsoever, of its alleged use of the mark. As per my comments above concerning the s. 16 ground of opposition, in the absence of evidence supporting such date of first use, a claimed date of first use set forth in a registration can establish no more than *de minimis* use and cannot give rise to an inference of significant or continuing use of the mark.

[25] To sum up, the overall consideration of the inherent distinctiveness of the parties' marks and the extent to which they have become known does not significantly favour one party over the other.

[26] Turning to the nature of the wares and services and the nature of the trade, I must compare the Applicant's statement of wares and services with the statement of services in the Opponent's registration [see *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (F.C.A.); and *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.)]. However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. The evidence of the parties' actual trades is useful in this respect [see *McDonald's Corp. v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R. (3d) 168 (F.C.A.); *Procter & Gamble Inc. v. Hunter Packaging Ltd.* (1999), 2 C.P.R. (4th) 266 (T.M.O.B.); and *American Optional Corp. v. Alcon Pharmaceuticals Ltd.* (2000), 5 C.P.R. (4th) 110 (T.M.O.B.)].

[27] The Opponent submits that the trade-marks at issue would both appear to be for use in the financial services field, specifically directed to credit card (or charge account) purchases by retail customers.

[28] More particularly, the Opponent submits that the CHARGE-GARD services could include the issuance of insurance policies to retail companies who would then offer to their customers the option of purchasing insurance coverage in order to protect them in the event that they are unable to pay their credit card bill. The Opponent submits that it is reasonable to expect that these services would be provided together with the usual customer service and claims administration services, which would normally accompany insurance services.

[29] The Opponent further submits that as the Applicant's CHARGE GUARD services include credit transaction risk assessment, and credit chargeback recovery services, they would therefore appear to be directed to the same types of retail establishments to assist them in managing credit card sales.

[30] Further, as the Applicant's services include "dispute negotiation and mediation services to others", the Opponent submits that it appears likely that the Applicant could be dealing directly with the customers who purchased CHARGE-GARD insurance services. Therefore, the retail establishments that are customers or potential customers for both the Opponent and the Applicant, and the retail customers of any of these retail establishments are likely to be confused by the Applicant's use of a similar mark.

[31] The Applicant submits for its part that the Opponent's services and those of the Applicant are different in that the Opponent's services consist of insurance services directed to the average man on the street whereas the Applicant's services are directed to shopkeepers or retail establishments and relate to different kinds of non-insurance services performed using the software described in the statement of wares covered by the Applicant's application.

[32] In the absence of evidence to the contrary, I agree with the Opponent that there is no reason to conclude that the parties' services would not travel through the same channels of trade and be directed, at some point, to the same types of retail establishments. As put forward by the Opponent at the oral hearing, the Opponent's insurance services may very well be distributed through retailers such as the opponent Canadian Tire Financial Services Limited. Further, as the



Applicant's services include "dispute negotiation and mediation services to others", I agree with the Opponent's submission above that it appears likely that the Applicant could be dealing directly with the customers who purchased CHARGE-GARD insurance services.

[33] In view of the Applicant's submissions indicated above, I further agree with the Opponent's submission made in its written argument that the wares covered by the Applicant's application would appear to be software for use in the performance of the Applicant's services. In the absence of evidence to the contrary, there is no reason to conclude that the end users of the software would not be the same types of retail establishments as the ones that offer to their customers the option of purchasing the Opponent's CHARGE-GARD insurance coverage.

[34] While I agree with the Applicant that the parties' wares and services differ in their exact nature, I find that there is an overlap between them to the extent that the parties' wares and services both relate to credit card (or charge account) purchases by retail customers. For the reasons indicated above, I further find that there is an overlap in the parties' channels of trade.

[35] Turning to the degree of resemblance between the parties' trade-marks, I agree with the Opponent that the marks are virtually identical in appearance, sound when spoken aloud, and the ideas suggested by the marks. I note that the Applicant did not make any substantive representation on this point at the oral hearing.

[36] As a surrounding circumstance, the Opponent's evidence introduced by way of the Godwin affidavit indicates that there are only two trade-marks in the financial services field, which are a combination of the words CHARGE and GUARD (GARD) currently on the Canadian Intellectual Property Office (CIPO) register of trade-marks, namely the Applicant's application and the Opponent's CHARGE-GARD mark.

#### Conclusion regarding the likelihood of confusion

[37] As indicated above, the Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. The presence of a

legal onus on the Applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the Applicant.

[38] In view of my analysis above, I find that the balance of probabilities is evenly balanced between finding that (i) there is no reasonable likelihood of confusion as to the source of the parties' wares or services in view of the differences existing in the exact nature of the parties' wares and services and the fact that the Opponent's mark, as a weak mark, only deserves a narrow ambit of protection, and (ii) there is a reasonable likelihood of confusion as to the source of the parties' wares or services particularly in view of the fact that the parties' marks are virtually identical and by reason of the overlap existing between the parties' wares and services, which both relate to credit card (or charge account) purchases by retail customers, and their corresponding channels of trade. As the onus is on the Applicant to show, on a balance of probabilities, that there is no reasonable likelihood of confusion, I must find against the Applicant.

[39] Accordingly, the s. 12(1)(d) ground of opposition based upon the likelihood of confusion between the Opponent's registered mark and the Mark succeeds.

#### Disposition

[40] In view of the foregoing and pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

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Annie Robitaille  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office