



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

**Citation: 2013 TMOB 60**  
**Date of Decision: 2013-04-05**

**IN THE MATTER OF AN OPPOSITION  
by Information Builders, Inc. to  
application No. 877,856 for the trade-  
mark MICRO FOCUS in the name of  
Merant International Limited**

[1] On May 8, 1998, Micro Focus Limited filed an application to register the trade-mark MICRO FOCUS (the Mark) for the following wares and services (the Wares and Services) on the following bases:

Wares (1): client-server software for managing multiple-tier computer networks; computer software, namely, software programming tools and utility software for use by software development engineers to provide functionality in other software through the use of utilities for enabling software applications to manage and provide access to data and files over global and local computer networks; software for use over networks, namely communications software for use in transmitting data and multimedia information over global and local computer networks; software for use over networks, namely, network management software, data delivery software, network utility software; computer software, namely legacy system management programs; computer software for facilitating the transmissions and reception of data via a global computer network and other computer networks; computer software, namely, software for managing and providing access to database over global and local computer networks; computer software in use in software development; computer software for emulating performance characteristics of multiple computer software operating environments; computer software, namely, assemblers, compilers, development environment software, offloading software, source code generators, debugging software, graphic user interface development software tools, file access, transfer and handling software, source code management software, computer code analysis software tools, key and data compression software, software tools for integrating development environments, and operating system extension and run time software; computer software namely programs for maintaining

and testing computer software; and instruction manuals supplied as a unit therewith.  
*Based on use in Canada since at least as early as December 31, 1989*

Wares (2): client-server software for managing multiple-tier computer networks; software for use over networks, namely communications software for use in transmitting data and multimedia information over global and local computer networks; software for use over networks, namely, network management software, data delivery software, network utility software; computer software, namely legacy system management programs; computer software for facilitating the transmissions and reception of data via a global computer network and other computer networks; computer software, namely, software for managing and providing access to database over global and local computer networks; computer software in use in software development; computer software for emulating performance characteristics of multiple computer software operating environments; computer software, namely, assemblers, compilers, development environment software, offloading software, source code generators, debugging software, graphic user interface development software tools, file access, transfer and handling software, source code management software, computer code analysis software tools, key and data compression software, software tools for integrating development environments, and operating system extension and run time software; computer software namely programs for maintaining and testing computer software; and instruction manuals supplied as a unit therewith.  
*Based on use and registration in the United States of America (application No. 1,461,698).*

Services: Computer services, namely, consulting regarding use of computer software, consulting regarding configuration, installation and implementation of computer systems, consulting regarding reengineering of computer systems, including implementation of Year 2000 and Euro currency problem solutions; consulting regarding use, configuration and implementation of local area and other computer and communications networks; software for engineering and compatibility testing services; software development services; software maintenance services; programming services. *Based on use in Canada since at least as early as December 31, 1989.*

[2] The applicant for the Mark has undergone a series of name changes and assignments such that the application now stands in the name of Micro Focus (IP) Limited. The term “Applicant” will be used to refer to the owner of the Mark at the relevant times.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* of January 8, 2003.

[4] On March 10, 2003, Information Builders, Inc. (the Opponent) filed a statement of opposition. The grounds of opposition can be summarized as follows:

- pursuant to sections 38(2)(a) and 30 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), the Applicant could not have been satisfied that it was entitled to use or register the Mark. The Applicant was fully aware of the Opponent's trade-marks at the time of filing and thus knew that it was not entitled to use or register the Mark. The Applicant did not use the Mark as alleged in the application, or at all. At the time of filing the application for the Mark, the Applicant was a corporation in the United Kingdom, and thus the United States was not the country of origin for the Applicant, as alleged in the application. The Applicant does not have any real and effective industrial or commercial establishment in the United States, as alleged during prosecution of the application for the Mark.
- pursuant to sections 38(2)(b) and 12(1)(d) of the Act, the Mark is not registrable as it is confusing with the Opponent's registered trade-marks (the Opponent's FOCUS Marks), as set out below:
  - FOCUS – TMA523,347 registered February 17, 2000 for use in association with *computer software and programs for database management for permitting web access to information stored in a main frame computer*;
  - FOCUS FUSION – TMA541,347 registered February 20, 2001 for use in association with *computer software for database management*;
  - WEBFOCUS – TMA544,341 registered on May 1, 2001 for use in association with *computer software for database management; computer software for accessing databases by means of the Internet to generate reports; software development tools for making, reporting and analysis available through Internet worldwide websites and for extending the functionality of enterprise reporting and analysis systems on to the Internet; and computer software for accessing and updating databases through the Internet*;
  - the Opponent is the owner of a family of trade-marks which include the word FOCUS and which have been used extensively in Canada in association with computer software;
- pursuant to sections 38(2)(c) and 16 of the Act, the Applicant is not the person entitled to registration of the Mark because at the date of filing the application for the Mark, at the claimed date of first use and at all other times, the Mark was confusing with the Opponent's trade-marks which had been previously used in Canada, the subject of previously filed applications and previously registered in Canada.
- pursuant to sections 38(2)(d) and 2 of the Act, the Mark is not distinctive and also not adapted to distinguish the Wares from the wares and/or services of others including the wares and/or services of the Opponent and the Mark is not adapted so to distinguish them. The Opponent has used its marks extensively and its trade-marks are distinctive of the Opponent. Accordingly, the Mark cannot be distinctive of the Applicant.

[5] The Applicant served and filed a counter statement in which it denied the Opponent's allegations and put the Opponent to the strict proof thereof.

[6] In support of its opposition, the Opponent filed affidavits of Gerald D. Cohen, the Opponent's President and CEO, and Jerome P. Bastien, an associate employed by the Opponent's agent. Neither affiant was cross-examined.

[7] The Applicant filed the affidavit of Lloyd Potter a trade-mark searcher employed by Trade-mark Reflections Ltd. Mr. Potter was not cross-examined on his affidavit.

[8] Neither party filed a written argument. An oral hearing was held at which both parties were represented.

#### Onus and Material Dates

[9] 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 evidential 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 Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

[10] The material dates that apply to the grounds of opposition are as follows:

- sections 38(2)(a)/30 - the date of filing the application [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 at 475 (TMOB) and *Tower Conference Management Co v Canadian Exhibition Management Inc* (1990), 28 CPR (3d) 428 at 432 (TMOB)].
- sections 38(2)(b)/12(1)(d) - the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)]
- sections 38(2)(c)/16(1) - the claimed date of first use [see section 16(1) of the Act].
- sections 38(2)(c)/16(2) – the date of filing the application [see section 16(2) of the Act].

- sections 38(2)(d)/2 - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

### Section 30 Grounds of Opposition

#### *Non-compliance with section 30(b) of the Act*

[11] The initial burden on the Opponent is light respecting the issue of non-conformance with section 30(b) of the Act, because the facts regarding the Applicant's first use are particularly within the knowledge of the Applicant [see *Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB) at 89].

[12] At the oral hearing, the Opponent submitted that the Applicant could not have used the Mark since the date claimed as December 31, 1989 was "a holiday Sunday". I am not willing to accept this submission, in particular by virtue of the fact that the application claims use since **at least as early as** December 31, 1989.

[13] The Opponent has not filed any evidence in support of this ground of opposition. At the oral hearing the Opponent submitted that the fact that the Applicant did not file any evidence is "clearly inconsistent" with the claimed date of first use. To make such a finding I would in effect be drawing an adverse inference from the Applicant's failure to file evidence. I refuse to do so.

[14] Based on the foregoing, I find that the Opponent has failed to meet its evidential burden and I dismiss this ground of opposition accordingly.

#### *Non-compliance with section 30(d) of the Act*

[15] The Opponent also alleges that the application for the Mark did not comply with section 30(d) of the Act, as the Applicant had not used the Mark in the United States as claimed in the application.

[16] In support of this ground, the Opponent also alleges that the Applicant does not have a real and effective industrial or commercial establishment in the United States (the Applicant's claimed "country of origin"). I am of the view that this argument is not relevant to an allegation that the application does not comply with section 30(d) of the Act. Rather, I am of the view that

these facts, if proven, would more appropriately be raised under section 38(2)(c) and 16(2) of the Act. I note that the Opponent has not provided any evidence supporting these facts in any event.

[17] The Opponent relies on the decision in *Lofaro v Esurance Inc* (2010), 90 CPR (4th) 155 (TMOB) in which the Opponent was found to have met its evidential burden under a ground of opposition based on non-compliance with section 30(d) by argument alone. In that case, the Member analogized the section 30(d) ground to a ground of opposition alleging non-compliance with section 30(a) of the Act. I note that the facts in *Esurance* differ from those in the present case. Specifically, the section 30(d) ground in *Esurance* was based on an allegation that the wares/services listed in the foreign registration upon which the Canadian application was based were not broad enough to cover the wares/services found in the corresponding Canadian application. In the present case the section 30(d) ground is based on an allegation that the Applicant did not use the Mark in the foreign jurisdiction at the relevant time. As a result, I find that the present ground of opposition based on section 30(d) of the Act would more properly be analogized to a ground of opposition based on section 30(b) of the Act. In light of this, I disagree with the Opponent's submission that in the present case argument alone would be sufficient to enable the Opponent to meet its burden under this ground of opposition.

[18] Using the same reasoning as that applied to the section 30(b) ground of opposition set out above, I find that the Opponent has failed to meet its evidential burden for this ground opposition and accordingly the ground of opposition based on non-compliance with section 30(d) of the Act is also dismissed.

#### *Non-compliance with section 30(i) of the Act*

[19] Where an applicant has provided the statement required by section 30(i), a section 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The Applicant has provided the necessary statement and this is not an exceptional case; the section 30(i) ground is accordingly dismissed.

## Non-registrability Ground of Opposition – Section 12(1)(d) of the Act

[20] An opponent's initial onus is met with respect to a section 12(1)(d) ground of opposition if the registrations relied upon are in good standing as of the date of the opposition decision. The Registrar has discretion to check the register in order to confirm the existence of the registrations relied upon by an opponent [see *Quaker Oats of Canada Ltd/La Compagnie Quaker Oats du Canada Ltée v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. I have exercised that discretion and confirm that the registrations for the Opponent's FOCUS Marks remain valid.

[21] 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.

[22] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 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 each has 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. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 96 CPR (4th) 361 (SCC).]

[23] I will assess the section 12(1)(d) ground of opposition based on confusion between the Mark and the Opponent's trade-mark FOCUS subject to registration No. TMA523,347 covering the wares "computer software and programs for database management for permitting web access to information stored in a main frame computer" as I am of the view that the Opponent's case is strongest with respect to this trade-mark.

[24] If there is no likelihood of confusion between the Mark and registration No. TMA523,347 then there would be no likelihood of confusion with respect to the other registrations. As a result, my determination of a likelihood of confusion as between the Mark and

the Opponent's registration No. TMA523,347 will be determinative of the section 12(1)(d) ground of opposition.

*Section 6(5)(a) – inherent distinctiveness and the extent to which the marks have become known*

[25] The Mark is made up of two common dictionary words (MICRO and FOCUS) which do not have any particular meaning with respect to the Wares and Services.

[26] The Opponent's trade-mark also features the dictionary word, FOCUS which has no particular meaning with respect to the Opponent's wares.

[27] I assess the inherent distinctiveness of the parties' marks as being the same.

[28] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. I will now turn to the extent to which the trade-marks have become known in Canada.

[29] The Applicant claims use of the Mark in Canada since at least as early as December 31, 1989 in association with Wares (1) and the Services (Wares (2) are based on use and registration in the United States). The Applicant has not provided any evidence of use or reputation for the Mark in Canada. I can therefore only conclude that the Mark has not become known to any extent in Canada.

[30] The Opponent provided evidence of use and reputation for the FOCUS Marks. Specifically, at the oral hearing, the Opponent submitted that it has global sales figures amounting to the hundreds of millions worldwide and in the tens of millions in Canada and it services "high profile clients" such as Bell Canada, Bank of Montreal and Royal Bank of Canada. Mr. Cohen also states that the Opponent's FOCUS and WEBFOCUS products conspicuously display at least one of the Opponent's FOCUS Marks on their packaging (paragraph 10).

[31] The Applicant points to inconsistencies and contradictions in Mr. Cohen's affidavit with respect to who was using the FOCUS Marks in Canada at the relevant times. Mr. Cohen makes statements regarding use of the FOCUS Marks in Canada by the Opponent dating back to its



alleged first sale of its FOCUS software directly to a Canadian customer in 1983 (paragraph 3). However, Mr. Cohen also states that Information Builders (Canada) Inc. (IBC), a wholly owned subsidiary of the Opponent, is responsible for the marketing, business and operation of the Opponent within Canada. This suggests that the FOCUS Marks were being used in Canada by two entities at the same time. The majority of Mr. Cohen's evidence regarding use and reputation for the FOCUS Marks in Canada relates to IBC.

[32] At the oral hearing, the Applicant submitted that no evidence was provided establishing the relationship between the Opponent and IBC, including whether or not there is a license in place between the two entities. The only evidence regarding the relationship between the entities is Mr. Cohen's sworn statement that IBC is a wholly owned subsidiary of the Opponent. At the oral hearing the Opponent submitted that as a result of this subsidiary relationship any use by IBC would be under license from the Opponent. However, the jurisprudence is clear that evidence of common corporate ownership is not sufficient to satisfy the care and control requirement of section 50 of the Act [see *Axa Assurances Inc v Charles Schwab & Co* (2005), 49 CPR (4th) 47 (TMOB) at 57-58; *MCI Communications Corp v MCI Multinet Communications Inc* (1995), 61 CPR (3d) 245 (TMOB)].

[33] The Applicant also objects to any evidence regarding IBC from the standpoint that, in the absence of evidence regarding the relationship between IBC and the Opponent, the affiant, Mr. Cohen, has not established that he has any relationship with IBC such that any statements he makes regarding IBC and/or use of the FOCUS Marks by IBC would constitute hearsay.

[34] I agree with the Applicant that the Opponent may not rely upon any evidence of use of the FOCUS Marks in Canada by IBC as the Opponent has not provided evidence to satisfy section 50 of the Act and as a result such use would not accrue to the Opponent.

[35] In light of this, the relevant portions of the Opponent's evidence of use and reputation for the FOCUS Marks are as follows:

- a. Mr. Cohen states that as of the date of his affidavit the Opponent provides computer programs to over 100 customers in Canada, including 31 members of the *Report on Business Magazine* 1000 (including: Bell Canada, BMO, CIBC, RBC, Hudson's Bay, Pfizer, Nortel, TD, Air Canada, CN Railway) (paragraph 25 and Exhibit 11: full list of the 31 customers).

- b. Mr. Cohen provides sales figures for the Opponent in Canada for the years 1997 – 2007; sales of the Opponent’s FOCUS and WEBFOCUS products range from \$665, 000 to \$18 million over this time period (paragraph 27);
- c. Mr. Cohen provides advertising expenditures for the Opponent’s FOCUS products for 1991 – 2007 (paragraph 18). However, Mr. Cohen does not specify what portion of these expenditures relates to advertising for the Canadian marketplace.
- d. Mr. Cohen states that the Opponent has distributed various promotional materials bearing the FOCUS mark in Canada. As an example, Mr. Cohen attaches a copy of the Spring/Summer 2004 issue of *Information Builders Magazine* which was first published in the US and made available in Canada in 1988 (Exhibit 13). The magazine is published and distributed quarterly in the US and Canada. Mr. Cohen states that the magazines *FOCUS Flash* and *FOCUS News* have also been available in Canada as well as the online publication the *WEBFOCUS Newsletter* (paragraph 31; copy included in Exhibit 13);
- e. Mr. Cohen states that the Opponent has advertised the FOCUS mark extensively throughout Canada since 1983. Mr. Cohen states that advertisements have been run over the Internet and available in Canada as well as in Canadian publications like *Computerworld Canada* and *Technology in Government* (paragraph 32 and Exhibit 14: examples of such advertisements).
- f. Mr. Cohen states that the Opponent sends out extensive direct mail, email and Internet advertising in the US, Canada and Europe with total postage costs amounting to approx \$750,000 per year (paragraph 19). Mr. Cohen does not specify what portion of these expenditures relates to advertising carried out in Canada.
- g. Mr. Cohen states that in addition to published material, the Opponent makes extensive use of the FOCUS mark on its website ([www.informationbuilders.com](http://www.informationbuilders.com)) which was launched in 1995. Mr. Cohen states that the Opponent has received numerous inquiries further to this website from potential and existing clients worldwide, including thousands in Canada (paragraph 22).
- h. Mr. Cohen states that the Opponent participates annually in about 25 trade shows in the US and 10 in the rest of the world. Mr. Cohen states that since 1985 the Opponent has held an annual users summit conference in the US where users learn about the FOCUS software. Mr. Cohen states that on average approximately 1000 users from all over the world, including Canada, attend the summit every year (paragraph 20 and Exhibit 9: details of the 2001 – 2004 and 2008 summits).
- i. Mr. Cohen states that the Opponent offers 8 annual national conferences in countries outside the US, including in Canada. Mr. Cohen states that these are usually attended by approximately 50-100 participants (paragraph 21).

[36] Despite the deficiencies in the Opponent’s evidence, in particular the fact that in large part the evidence does not relate specifically to the Canadian marketplace, I find that the Opponent has succeeded in establishing that the FOCUS Marks have become known to some extent in Canada at least since 1997. By contrast, the Applicant has not provided any evidence of use or reputation for the Mark and thus on this basis, this factor favours the Opponent.

*Section 6(5)(b) – the length of time each has been in use*

[37] Based on the evidence of record, the Opponent’s FOCUS Marks have been in use for longer than the Mark and this factor therefore favours the Opponent.

*Section 6(5)(c) and (d) – the nature of wares, services or business and trade*

[38] It is the Applicant’s statement of wares and services as defined in its application versus the Opponent’s registered wares that govern my determination of this factor [see *Esprit International v Alcohol Countermeasure Systems Corp* (1997), 84 CPR (3d) 89 (TMOB)].

[39] The Opponent’s evidence provides further specification regarding the nature of the Opponent’s wares. Specifically, Mr. Cohen states that the FOCUS trade-mark is used in association with “report writing and data access software” (paragraph 7).

[40] The Opponent submits that there is direct overlap between the parties’ wares with respect to the following wares in the application:

- a. software for use over networks, namely communications software for use in transmitting data and multimedia information over global and local computer networks;
- b. software for use over networks, namely network management software, data delivery software, network utility software;
- c. computer software namely software for managing and providing access to database over global and local computer networks, file access, transfer and handling software.

[41] With respect to the last type of software listed above, the Opponent submits that “providing access to database over global and local computer networks” is exactly what the

Opponent's database management software does. Thus, the parties' wares directly overlap, at least with respect to this last type of software claimed by the Applicant.

[42] The Opponent submits that, with respect to the remaining wares, it would be reasonable for someone to assume that these too were provided by the same source as the Opponent's wares. This is due in part to the fact that the Opponent submits that they are closely related to the wares which directly overlap such that they would likely be offered alongside the database management software.

[43] In addition to the software covered in the Opponent's registration, the evidence demonstrates that the Opponent also provides a full range of education, consulting and supporting services worldwide with a number of regularly published technical and product newsletters, including the online newsletter *WEBFOCUS Newsletter* as well as a company magazine entitled *Information Builders Magazine*. Mr. Cohen states that these publications all make substantial use of the FOCUS trade-mark (paragraph 15). This evidence, however, is not relevant to this ground of opposition (except as a potentially relevant additional surrounding circumstance which I do not find to be determinative in the present case) as consulting services are not included in the registration for the Opponent's FOCUS mark.

[44] I do find an area of overlap between the Opponent's software and the Applicant's "software development services".

[45] With respect to the nature of the Opponent's trade, Mr. Cohen explains that the Opponent is involved in all market sectors including finance, manufacturing, media, telecommunications, retail, distribution, energy and utilities worldwide (paragraph 5). Mr. Cohen attaches to his affidavit a list of some of the Opponent's customers as of the date of swearing his affidavit (Exhibit 3).

[46] Mr. Cohen also states that the Opponent has established marketing and consulting partnerships with more than 50 of the world's leading hardware, software, database, networking and application software vendors (including various multinational computer and media companies like IBM, UNISYS, Hewlett Packard, Microsoft, SAP, and Oracle) (paragraph 6).

Mr. Cohen also attaches to his affidavit a list of the Opponent's service, technology and reseller partnerships current to the date of his affidavit (Exhibit 4).

[47] Mr. Cohen explains that the prospective customers for the Opponent's FOCUS software are any organization that has the need to analyse data and make it available to decision makers (for example, service organizations like insurance companies, energy companies or banks). These organizations use FOCUS applications to monitor and analyse sales or learn more about customers and their needs (paragraph 8).

[48] Finally, Mr. Cohen states that the Opponent sells FOCUS branded products in a number of different sectors, including the banking/financial services, education, government/public sector, healthcare, insurance, manufacturing/automotive, technology, telecommunications, transportation, and the energy and utilities sectors (paragraph 29).

[49] At the oral hearing, the Applicant made submissions regarding the Opponent's channels of trade in an attempt to distinguish between the parties' channels of trade. Firstly, the Applicant submitted that the Opponent initially supplied and installed its software on mainframe computers, which the Applicant submits is a very specific channel of trade. Furthermore, the Applicant submitted that the Opponent's claimed field of operation is huge, namely "business intelligence solutions", and that a monopoly of this nature would be too broad for its registrations to support.

[50] The Opponent submits that the Opponent's channels of trade cover customers in all sectors (Cohen paragraph 5) and given that the Applicant has not provided any evidence of its channels of trade it would be reasonable to assume overlap in the channels of trade as the parties' wares and services are similar. The Opponent submits that the parties would most likely target the same types of clients.

[51] I am satisfied that there is some degree of overlap between the parties' wares and channels of trade and thus these factors favour the Opponent with respect to Wares (1) and (2). However, I find that the Services do not share any significant degree of similarity with the Opponent's wares as set out in registration No. TMA523,347, with the exception of the "software development services".

*Section 6(5)(e) – the degree of resemblance between the marks in appearance or sound or in the ideas suggested by them*

[52] In *Masterpiece*, the Supreme Court of Canada discussed the importance of the section 6(5)(e) factor in conducting an analysis of the likelihood of confusion between the parties' marks in accordance with section 6 of the Act (see para 49):

...the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis ... if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar. [...]

[53] The proper approach to be followed when assessing the degree of resemblance between the parties' marks [*Masterpiece, supra* at para 64]:

While the first word may, for purposes of distinctiveness, be the most important in some cases, I think a preferable approach is to first consider whether there is an aspect of the trade-mark that is particularly striking or unique.

[54] The Applicant has taken the entirety of the FOCUS trade-mark. At the oral hearing, the Opponent cited a number of Trade-mark Opposition Board (TMOB) decisions wherein it was determined that the degree of resemblance between parties' marks will be high when the applicant takes the entirety of the opponent's mark. The Opponent also pointed out that in each of these TMOB decisions, the Opponent's mark was placed in the second position in the applied for mark, as is the case in the present case.

[55] The Opponent further submitted that the word FOCUS is the only word in the Opponent's trade-mark FOCUS and also the most distinctive word in the Mark since the word MICRO is descriptive. Specifically, the Opponent submits that the word MICRO is merely a prefix that means small, and thus it does nothing to add to the distinctiveness of the Mark.

[56] In terms of ideas suggested, the Opponent submits that the inclusion of the word FOCUS in the mark renders the ideas suggested by the parties' marks as being the same. The Opponent submits that the addition of the word MICRO simply means that the Applicant's wares may be a smaller or diminutive version of the software.

[57] I agree with the Opponent's submissions and find that the parties' marks share a significant degree of similarity in sound, appearance and idea suggested by virtue of the inclusion of the word FOCUS in both parties' marks. Based on the foregoing, this factor favours the Opponent.

*Additional Surrounding Circumstance – State of the Register Evidence*

[58] The Applicant has provided state of the Register evidence in the form of search results from January 20, 2009. The search results show approximately 17 registrations, belonging to 15 different owners, for marks containing the word FOCUS registered for use with computer software and related services.

[59] When analyzing state of the register evidence, it must be noted that such evidence will only be relevant insofar as one can make inferences from it about the state of the marketplace. Inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432; *Del Monte Corporation v Welch Foods Inc* (1992), 44 CPR (3d) 205 (FCTD); *Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA)]. The Opponent submits that the numbers are not sufficiently high in the present case to make such an inference.

[60] At the oral hearing, the Opponent relied on the *Chamberlain Group, Inc v Lynx Industries Inc* (2010), 89 CPR (4th) 122 (FC) in support of its submission that only the marks in the state of the register evidence which are for wares that are very similar to the parties' wares will be relevant. In the present case, the Opponent submits that software is a very broad category of wares such that only the marks on the Register which are registered for software in the same field as the Opponent would be relevant. The Opponent submits that of all the marks found on the Register, the Applicant's is the most similar in terms of the nature of the software covered by the application.

[61] The Applicant submits that the Opponent claims to operate "in all market sectors" and that the Opponent's software is marketed to "any organization that has the need to analyze data and make it available to decision maker" (see paragraph 5 and 8, respectively, of the Cohen affidavit). The Applicant submits that as a result, all of the registrations in the Potter affidavit

should be relevant to an assessment of the state of the register. I am of the view that all of the registrations which cover software will be relevant for the purposes of assessing the state of the register evidence.

[62] The Opponent also relied on *Great Atlantic & Pacific Co of Canada, Ltd v Effem Foods Ltd* (1993), 49 CPR (3d) 277 (TMOB) in support of its submission that only marks which feature the relevant element in the same position should be considered. When taking this approach, the Opponent submits that the number of relevant registrations at the relevant date is reduced to only nine relevant marks. I disagree with this submission and will not restrict my consideration to only the marks where the word FOCUS appears in the second position.

[63] Ultimately, the Opponent submits that there are not sufficient marks on the register at the relevant dates to enable for the making of any inferences about the marketplace. On this basis the Opponent submits that the state of the Register evidence is thus not relevant and does not support the Applicant's position.

[64] I find that the existence of approximately 17 registrations, belonging to 15 different owners, registered in association with computer software enables me to infer that some of these marks may be in the use in the Canadian marketplace, despite the fact that I have not been provided with any evidence of use thereof [see *Old Spaghetti Factory Canada Ltd v Spaghetti House Restaurants Ltd* (1999), 2 CPR (4th) 398 at 407]. However, I find this to be a borderline case since the number of relevant marks is not overwhelming and as a result this factor does not significantly favour either party.

#### *Additional Surrounding Circumstance – Absence of Evidence of Actual Confusion*

[65] At the oral hearing, the Applicant submitted that the fact that the Opponent was unable to provide any evidence of actual confusion in the marketplace despite the fact that the parties' marks have allegedly coexisted in the Canadian marketplace for many years is significant.

[66] The Opponent submitted that the reason they were unable to provide any evidence of actual confusion was because the Applicant did not file any evidence of use of the Mark and thus there could not have been any confusion between the marks if the Mark had not been used.



[67] An adverse inference concerning the likelihood of confusion may be drawn when concurrent use on the evidence is extensive and no evidence of confusion has been given by an opponent [*Christian Dior SA v Dion Neckwear Ltd* (2002), 20 CPR (4th) 155 (FCA) at para 19]. In the present case, I am satisfied that the Opponent has established use of its FOCUS Marks in association with software and associated services. However, the Applicant has failed to provide any evidence of the Mark despite the claimed use since at least as early as December 31, 1989.

[68] As a result, I am left without evidence of extensive concurrent use of the parties' marks in the Canadian marketplace and thus unable to find an adverse inference resulting from the Opponent not evidencing confusion between the parties' marks.

[69] Furthermore, I note that while no evidence of actual confusion has been presented, this is not determinative of the issue of confusion [*Mr. Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. Indeed, to require the opponent to supply evidence of actual confusion would be tantamount to a reversal of the onus in the issue of confusion between trademarks [*Mita Industrial Co v Mitac Inc* (1992), 40 CPR (3d) 387 (FCTD)].

### *Conclusion*

[70] In applying the test for confusion I have considered it as a matter of first impression and imperfect recollection. Having considered all of the surrounding circumstances, in particular the similarity between the Mark and the Opponent's FOCUS mark, as well as the similarity in the nature of the parties' wares, and trades, I am not satisfied that Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's FOCUS mark with respect to Wares (1) and (2) and "software development services". With respect to the remaining services, however, I find that the lack of similarity between the parties' wares and services to be sufficient to shift the balance of probabilities in the Applicant's favour and I find that the Applicant has discharged its burden with respect to the remaining services.

[71] Having regard to the foregoing, the ground of opposition based on section 12(1)(d) of the Act is successful with respect to Wares (1) and (2) and "software development services" but dismissed with respect to the remaining services.

## Non-entitlement Grounds of Opposition

### *Section 16(1)/(2)(a) of the Act*

[72] Despite the onus of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's FOCUS Marks, the Opponent has the initial onus of proving that one or more of the trade-marks alleged in support of the section 16(1)/(2)(a) grounds was used in Canada prior to the claimed date of first use (December 31, 1989) for the 16(1) ground and prior to the filing date (May 8, 1998) for the 16(2) ground and had not been abandoned at the date of advertisement of the application for the Mark (January 8, 2003) [section 16(5) of the Act].

[73] The Opponent submits that the evidence is sufficient to meet its evidential burden for both grounds of opposition. Specifically, Mr. Cohen stated that the Opponent's first sale of software in Canada was in 1983 (paragraph 3). The Opponent also pointed to an article in Exhibit 15 of Mr. Cohen's affidavit entitled "Building on Relationship: RBC Extends Deal with Information Builders for Web-based Data Access Tools". This article states that RBC had been working with the Opponent for almost 20 years, when the bank had first begun using the Opponent's FOCUS mainframe product. The Opponent submits that this statement corroborates Mr. Cohen's statement regarding use in Canada since 1983.

[74] As discussed in greater detail above in the analysis of the section 12(1)(d) ground of opposition, I am only willing to accept the evidence of use by the Opponent as I am not satisfied that the evidence of use of the Opponent's FOCUS Marks by IBC would accrue to the Opponent. That said I am satisfied that the Opponent has established use of the FOCUS Marks in Canada since approximately 1997. As a result, the Opponent has satisfied its evidential burden with respect to the section 16(2) ground of opposition, but not with respect to the section 16(1) ground of opposition which would necessitate evidence of use of the FOCUS Marks prior to 1989. As a result, the ground of opposition based on section 16(1)(a) is dismissed. I will now assess whether the Applicant has met its onus with respect to the ground of opposition based on section 16(2)(a) of the Act. I note that the section 16(2)(a) ground only applies to Wares (2).

[75] In addition to the software covered in the Opponent's registration, the evidence demonstrates that the Opponent also provides a full range of education, consulting and supporting services worldwide with a number of regularly published technical and product newsletters, including the online newsletter *WEBFOCUS Newsletter* as well as a company magazine entitled *Information Builders Magazine*. Mr. Cohen states that these publications all make substantial use of the FOCUS trade-mark (paragraph 15).

[76] I am unable to make any inferences with respect to the state of the register and marketplace for the word FOCUS as at the much earlier material date for this ground of opposition the number of relevant entries on the register was very small.

[77] I find that the difference in the material dates is not significant and thus I make the same findings as under section 12(1)(d) ground of opposition with respect to Wares (2). Specifically, I am not satisfied that Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's FOCUS mark with respect to Wares (2). Based on the foregoing, the section 16(2)(a) ground of opposition is also successful.

*Section 16(1)/(2)(b) of the Act*

[78] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's FOCUS Marks, the Opponent has the initial onus of proving that the applications for the trade-marks alleged in support of the section 16(1)/(2)(b) grounds were pending at the claimed date of first use for the Mark (December 31, 1989) for the 16(1) ground and at the filing date (May 8, 1998) for the 16(2) ground, and remained pending at the date of advertisement of the application for the Mark, January 8, 2003 [section 16(5) of the Act].

[79] The Registrar has the discretion, in view of the public interest, to check the register for applications relied upon by an opponent [see *Royal Appliance Mfg Co v Iona Appliance Inc* (1990), 32 CPR (3d) 525 (TMOB)]. The Opponent did not specifically plead the applications it was relying on for this ground but presumably it is basing this ground on the FOCUS Marks.

[80] I have exercised my discretion to check the status of the applications for the Opponent's FOCUS Marks. With respect to the 16(1)(b) ground, I note that none of the applications were filed prior to the Applicant's claimed date of first use. With respect to the 16(2)(b) ground, I note that the application for the trade-mark FOCUS (TMA523,247) was filed prior to the application for the Mark, however it did not remain pending at the date of advertisement for the Mark; the other two applications were not filed prior to the filing date for the Mark.

[81] Based on the foregoing, the grounds of opposition based on section 16(1)/(2)(b) of the Act are dismissed.

#### Non-distinctiveness Ground of Opposition – Section 38(2)(d) of the Act

[82] While there is a legal onus on the Applicant to show that the Mark is adapted to distinguish or actually distinguishes its Wares and Services from those of others throughout Canada [see *Muffin Houses Incorporated v The Muffin House Bakery Ltd.* (1985), 4 CPR (3d) 272 (TMOB)], there is an initial evidential burden on the Opponent to establish the facts relied upon in support of the ground of non-distinctiveness.

[83] Pursuant to its evidential burden, the Opponent is under an obligation to show that, as of the filing of the statement of opposition, one or more of its FOCUS Marks had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC v Bojangles Café Ltd* (2004), 40 CPR (4th) 553, affirmed (2006), 48 CPR (4th) 427 (FC)].

[84] The Opponent has filed evidence of use of the FOCUS Marks in Canada at the relevant date for this ground of opposition. However, as noted above in both the section 12(1)(d) and non-entitlement grounds of opposition, the evidence shows that two entities were using the FOCUS Marks in Canada concurrently. Thus it appears that the Opponent's FOCUS Marks could not have been distinctive of the Opponent at the relevant date. Given that the non-distinctiveness ground of opposition is based on an allegation that the FOCUS Marks are distinctive of the Opponent and thus the Mark cannot be distinctive of the Applicant, I am not satisfied that the Opponent has met its evidential burden for this ground of opposition.

## Disposition

[85] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(8) of the Act with respect to the following wares and services:

Wares (1): client-server software for managing multiple-tier computer networks; computer software, namely, software programming tools and utility software for use by software development engineers to provide functionality in other software through the use of utilities for enabling software applications to manage and provide access to data and files over global and local computer networks; software for use over networks, namely communications software for use in transmitting data and multimedia information over global and local computer networks; software for use over networks, namely, network management software, data delivery software, network utility software; computer software, namely legacy system management programs; computer software for facilitating the transmissions and reception of data via a global computer network and other computer networks; computer software, namely, software for managing and providing access to database over global and local computer networks; computer software in use in software development; computer software for emulating performance characteristics of multiple computer software operating environments; computer software, namely, assemblers, compilers, development environment software, offloading software, source code generators, debugging software, graphic user interface development software tools, file access, transfer and handling software, source code management software, computer code analysis software tools, key and data compression software, software tools for integrating development environments, and operating system extension and run time software; computer software namely programs for maintaining and testing computer software; and instruction manuals supplied as a unit therewith.

Wares (2): client-server software for managing multiple-tier computer networks; software for use over networks, namely communications software for use in transmitting data and multimedia information over global and local computer networks; software for use over networks, namely, network management software, data delivery software, network utility software; computer software, namely legacy system management programs; computer software for facilitating the transmissions and reception of data via a global computer network and other computer networks; computer software, namely, software for managing and providing access to database over global and local computer networks; computer software in use in software development; computer software for emulating performance characteristics of multiple computer software operating environments; computer software, namely, assemblers, compilers, development environment software, offloading software, source code generators, debugging software, graphic user interface development software tools, file access, transfer and handling software, source code management software, computer code analysis software tools, key and data compression software, software tools for integrating development environments, and operating system extension and run time software; computer software namely programs for maintaining and testing computer software; and instruction manuals supplied as a unit therewith.

Services: software development services

[86] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act with respect to the following services:

Services: Computer services, namely, consulting regarding use of computer software, consulting regarding configuration, installation and implementation of computer systems, consulting regarding reengineering of computer systems, including implementation of Year 2000 and Euro currency problem solutions; consulting regarding use, configuration and implementation of local area and other computer and communications networks; software for engineering and compatibility testing services; ...; software maintenance services; programming services.

[87] See *Produits Menagers Coronet Inc v Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 CPR (3d) 492 (FCTD) as authority for a split decision.

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