

**IN THE MATTER OF AN OPPOSITION by
Community Savings Credit Union to application No. 1,020,666
for the trade-mark COMMUNITY CREDIT UNION
filed by Community Credit Union Ltd.**

On June 29, 1999, the applicant, Community Credit Union Ltd., filed an application to register the trade-mark COMMUNITY CREDIT UNION, which was assigned file number 1,020,666. The application is based upon use of the trade-mark in Canada in association with the operation of a credit union since as early as November 1986 and the applicant has disclaimed the right to the exclusive use of the words CREDIT UNION apart from the trade-mark.

The application was advertised for opposition purposes in the Trade-marks Journal of June 7, 2000. On December 12, 2000, the opponent, Community Savings Credit Union, filed a statement of opposition against the application. The applicant in due course filed and served a counter statement, in which it denied the opponent's allegations.

The grounds of opposition are summarized below:

1. The application is not in compliance with section 30 of the *Trade-marks Act* because the application contains a date earlier than when the applicant used the trade-mark in association with the applied for services.
2. The trade-mark is not registrable pursuant to paragraph 12(1)(b) of the Act because it is clearly descriptive of the character or quality of the services in association with which it is allegedly used.
3. The applicant is not the person entitled to register the trade-mark pursuant to paragraph 16(1)(a) of the Act because, at the alleged date on which the applicant first used the trade-mark, the trade-mark was confusing with the opponent's trade-mark I.W.A. AND COMMUNITY CREDIT UNION, which had been previously used in Canada.

4. The trade-mark is not distinctive in that it is not adapted to distinguish the services in association with which it is allegedly used from the services and wares of others, including the opponent.

Material Dates

The material date with respect to each of the grounds of opposition is as follows:

- section 30 - the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R. (3d) 469 at 475];
- paragraph 12(1)(b) - the filing date of the application [see *Zorti Investments Inc. v. Party City Corporation* (2004), 36 C.P.R. (4th) 90 (T.M.O.B.); *Havana Club Holdings S.A. v. Bacardi & Company Limited* (2004), 35 C.P.R. (4th) 541 (T.M.O.B.); *Fiesta Barbeques Limited v. General Housewares Corporation* (2003), 28 C.P.R. (4th) 60 (F.C.T.D.)];
- paragraph 16(1)(a) - the applicant's claimed date of first use, unless the opponent successfully challenges the applicant's claimed date of first use under a subsection 30(b) ground of opposition, in which case the material date for assessing the paragraph 16(1)(a) ground may become the applicant's filing date [see *American Cyanamid Co. v. Record Chemical Co. Inc.* (1972), 6 C.P.R. (2d) 278 (T.M.O.B.); *Everything for a Dollar Store (Canada) Inc. v. Dollar Plus Bargain Centre Ltd.* (1998), 86 C.P.R. (3d) 269 (T.M.O.B.)];
- non-distinctiveness - the date of filing of the opposition [see *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.) at 324].

Given that the latest material date is December 12, 2000, I will not summarize any of the evidence that postdates such date.

Rule 41 Evidence

The opponent's rule 41 evidence consists of the following:

- **Certified copy of the file history for trade-mark registration No. TMA322,486 for JET POWER COMMUNITY CREDIT UNION & Design;**
- **Certified copy of trade-mark registration No. TMA482,487 for COMMUNITY CREDIT UNION & Design;**
- **Certified copy of name change documents from the Registrar of Corporations for the Province of Alberta for Community Credit Union Limited;**
- **Affidavit of J. Philip Moore;**
- **Affidavit of D. Robert Parkinson;**
- **Affidavit of Robert C. Johnsen.**

Johnsen Affidavit

Mr. Johnsen, an articling student, investigated the use of the word “community” in the names of credit unions in Canada. The bulk of his evidence postdates December 12, 2000. He has however provided a number of annual reports and the like, which are dated 2000. Although some of these arguably would not have been distributed before December 12, 2000, I am according them some weight, as it is reasonable to assume that an entity issuing an annual report for the year 2000 existed prior to December 12, 2000.

Annual reports have been provided for the following Canadian credit unions: 1) East Kootenay Community Credit Union; 2) Greater Vancouver Community Credit Union; 3) Coastal Community Credit Union; 4) New Community Credit Union; 5) ASCU Community Credit Union Limited; 6) Auto Workers Community Credit Union; 7) Clinton Community Credit

Union Limited; 8) Community Savings and Credit Union Limited; 9) Fort Erie Community Credit Union Limited; 10) Hald-Nor Community Credit Union Limited; 11) Hamilton Community Credit Union Limited; 12) Kingston Community Credit Union; 13) Oshawa Community Credit Union; 14) Peterborough Community Credit Union; 15) Smiths Falls Community Credit Union Limited; 16) St. Willibrord Community Credit Union; 17) Thamesville Community Credit Union Limited; and 18) Thorold Community Credit Union Limited.

Moore Affidavit

Mr. Moore is the General Manager of the Greater Vancouver Community Credit Union, with over 33 years of experience working within the credit union movement and financial services sector. According to him, “the word ‘community’ is used extensively within the credit union movement and has been used from the outset of credit union formation in B.C.” He quotes from a book on the development of credit unions in B.C. that says, “community based credit unions typically embraced wider community concerns... in contrast, employee-based credit unions tended to be focused, in keeping with the bread and butter unionism of the day, on gaining specific, tangible benefits for the membership.”

Paragraph 4 of his affidavit reads:

Two categories of credit unions came into being in B.C.

- a) community or open bond credit unions to which anyone living in a given geographic area could belong; and**
- b) closed bond credit unions that limited membership to persons from a specific employee, ethnic, religious, or social group.**

Paragraph 10 of his affidavit reads:

It is my further belief that the word “community” is in constant use within the credit union movement, in BC, in Canada and worldwide, to define a type of credit union with an open community bond of membership. It is my belief that the phrase COMMUNITY CREDIT UNION is generic in nature of the services offered by the credit union industry and there are several community credit unions across Canada. As such, I believe that it is inappropriate for the phrase to be restricted to a single credit entity.

Parkinson Affidavit

Mr. Parkinson is the opponent’s CEO. The opponent was established in 1944 under the trade-name I.W.A. (New Westminster) Credit Union. On April 12, 1979, it changed its name to I.W.A. and Community Credit Union. On November 16, 1998, it changed its name again, to its present name of Community Savings Credit Union.

Although Mr. Parkinson states that the opponent has used the trade-names and trade-marks I.W.A. AND COMMUNITY CREDIT UNION and COMMUNITY SAVINGS CREDIT UNION in British Columbia since at least as early as April 1979 and November 1998, respectively, the remainder of his evidence focuses on activities from 1990 onwards. He provides annual reports, awards, newspaper and magazine articles, and yearly asset, loan and deposit figures.

Certified copy of the file history for trade-mark registration No. TMA322,486

This registration issued in 1987 for JET POWER COMMUNITY CREDIT UNION & Design for services in the operation of a credit union. It disclaims the right to the exclusive use of the words COMMUNITY CREDIT UNION apart from the trade-mark.

Certified copy of trade-mark registration No. TMA482,487

This registration issued in 1997 for COMMUNITY CREDIT UNION & Design for the operation of a credit union in the name of the applicant. It disclaims the right to the exclusive use of the words COMMUNITY CREDIT UNION apart from the trade-mark.

Certified copy of name change documents for Community Credit Union Limited

These documents indicate that Medicine Hat Savings and Credit Union Limited changed its name to Community Credit Union Ltd. on February 11, 1994.

Rule 42 Evidence

The applicant's rule 42 evidence consists of the following:

- **Affidavit of Murray Haubrich;**
- **Certified copy of Trade-marks Office file No. 877,513 for COMMUNITY BANK;**
- **Certified copy of Trade-marks Office file No. 877,512 for COMMUNITY BANKS.**

Affidavit of Murray Haubrich

Mr. Haubrich is the applicant's Executive Vice President. I summarize below those portions of his affidavit that I consider to be the most pertinent.

Mr. Haubrich sets out the corporate history of the applicant as follows. In 1986, the applicant was called Medicine Hat Savings and Credit Union Limited. (page 2, Haubrich affidavit, as corrected by page 3 of the transcript of his cross-examination) At that time, it decided to create a new image. It accordingly chose the trade-mark COMMUNITY CREDIT UNION, which it

began to use in “the late fall of 1986”. It did not change its corporate name to Community Credit Union Ltd. until February 11, 1994. As of November 1, 2000, Community Credit Union Ltd. amalgamated with three other credit union corporations to become Community Credit Union Ltd.

Mr. Haubrich attests that at the time that the applicant chose the trade-mark COMMUNITY CREDIT UNION, he was not aware that any other company operating in Canada used the words “community credit union”. He also attests that the phrase “community credit union” does not describe a particular kind of credit union.

At paragraph 9 of his affidavit, Mr. Haubrich states, “As far as I can recall, the Applicant used both forms of the trade-mark; namely the words: THE COMMUNITY CREDIT UNION and COMMUNITY CREDIT UNION, from the late fall of 1986.” In paragraph 10, he sets out reasons why he believes that the applicant used the trade-mark COMMUNITY CREDIT UNION starting in the late fall of 1986.

Mr. Haubrich provides a copy of Medicine Hat Savings & Credit Union Ltd.’s 1986 Annual Report, which displays ‘The Community Credit Union’ on the first inside page. He also provides a 1987 Annual Report which he says “references use of the trade-mark COMMUNITY CREDIT UNION including there having been new branch signs erected, and the Annual Report itself displaying the trade-mark COMMUNITY CREDIT UNION.” As Exhibit “D”, he provides “two documents showing how the Applicant used the trade-mark COMMUNITY CREDIT UNION in the period of time after it started using that trade-mark in about November 1986”. Mr. Haubrich

states that the applicant extensively promoted its services from 1986 displaying the mark **COMMUNITY CREDIT UNION** through various means including signage, letterhead and business cards, but he has not provided any exhibits showing these items.

Mr. Haubrich attests at paragraph 15 that the phrase “community credit union” is not “in Alberta nor in any other part of the Province or to my knowledge in any other part of Canada, in common (or any) usage to describe a particular *kind* of credit union.” He is “not aware of any instance of an employee of the Applicant being asked (or having it somehow suggested that) the Applicant was associated in some way with another credit union owing to the word “community” being common to both.” (paragraph 23)

Mr. Haubrich provides copies of dictionary definitions for the word “community”. He attests that the applicant does not serve a community in Alberta but serves many clients across a large part of the province. He expresses the view that where a credit union begins its name with a geographical indicator followed by the word “community”, the word “community” would be seen as descriptive. However, it is his view that the word “community” is ambiguous when not modified by any word placed ahead of it.

Certified copies of Trade-marks Office files Nos. 877,513 and 877,512 for COMMUNITY BANK and COMMUNITY BANKS

These pending proposed-use trade-mark applications disclaim the right to the exclusive use of the word **BANK(S)** apart from the trade-marks.

Cross-examination of Mr. Haubrich

The opponent obtained an order for the cross-examination of Mr. Haubrich and the transcript of the cross-examination, as well as answers given to undertakings and answers given to follow-up questions, form part of the record. I note that the exhibits to the cross-examination have not been filed.

I will not summarize this evidence but will instead refer to pertinent portions as they relate to the issues in my discussion below.

Applying the Law to the Facts

Written arguments were filed by both parties and an oral hearing was held at which both parties were represented.

Although the applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the *Trade-marks Act*, there is an initial 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*, 30 C.P.R. (3d) 293 at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)]

Subsection 30(b) Ground of Opposition

The initial evidential burden on the opponent respecting the issue of the applicant's non-compliance with subsection 30(b) is a light one. [see *Tune Masters v. Mr. P's Mastertune* (1986),

10 C.P.R. (3d) 84 (T.M.O.B.) at 89] The burden can be met by reference not only to the opponent's evidence but also to the applicant's evidence and the cross-examination of the applicant's affiant. [see *Labatt Brewing Company Limited v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.) at 230; *Coca-Cola Ltd. v. Compagnie Française de Commerce*, 35 C.P.R. (3d) 406 (T.M.O.B.)]

The opponent's evidence does not deal with the accuracy of the applicant's claimed date of first use. However, as noted by the opponent, the applicant's own evidence casts doubt on the claimed date, for the following reasons.

Mr. Haubrich attests at paragraph 10 of his affidavit:

I verily believe that the Applicant used the trade-mark COMMUNITY CREDIT UNION starting in the late fall of 1986 since:

- a) The Strategic Planning Session with a consultant wherein the Board of Directors of the applicant decided to the change of name, was, according to my recollection held in the Spring of 1986;
- b) The Consultant, Peter Johnson of Corporate Strategists, of Newport Beach, California, suggested we adopt a brand to differentiate ourselves from the competition and create awareness by consumers and potential consumers tied to our name;
- c) Once the Consultant had explained the process of strategic planning, there were sessions of strategic planning between Directors and Management of the Applicant and a Strategic Business Plan was written and adopted by the Applicant. This is described in the last full paragraph of the 1986 Annual Report. The name COMMUNITY CREDIT UNION was agreed on as part of that Strategic Business Plan. The Applicant tried to advertise its new trade-mark as extensively as possible, including having its phones answered identifying itself as COMMUNITY CREDIT UNION, changing signage and changing print material wherever possible; this all taking place in the fall of 1986 after the Board of Directors of the Applicant met and accepted the Strategic Business Plan;

- d) **The “Report to the Shareholders” in the 1987 Annual Report, which covers the fiscal year of the Applicant from November 1, 1986 to October 30, 1987, references use of the trade-mark COMMUNITY CREDIT UNION including there having been new branch signs erected, and the Annual Report itself displaying the trade-mark COMMUNITY CREDIT UNION (an original 1987 Annual Report of the Applicant is attached to this my Affidavit and marked as Exhibit “C”);**
- e) **The 1986 Annual Report also displays the trade-mark COMMUNITY CREDIT UNION at the top of its page one, and states that the Applicant commenced to sell Fixed-rate Deposit Instruments in the name COMMUNITY INVESTMENT CERTIFICATE in the year ending October 31, 1986;**
- f) **I verily believe we commenced to switch marketing materials to show the new trade-mark COMMUNITY CREDIT UNION right after approving the mark which occurred in about November 1996; [corrected during cross-examination to 1986]**
- g) **Two documents showing how the Applicant used the trade-mark COMMUNITY CREDIT UNION in the period of time after it started using that trade-mark in about November 1986, are attached to this my Affidavit and marked as Exhibit “D”.**

Attachment AM #14 provided pursuant to the cross-examination indicates that a motion was passed to accept the Strategic Business Plan at the Board of Directors Meeting held December 4, 1986. Given that Mr. Haubrich attested at paragraph 10(c) of his affidavit that the applicant changed its signage and print material after the Board of Directors met and accepted the Strategic Business Plan, the affidavit and the undertaking appear to be clearly inconsistent. (As an aside, I will mention that the Strategic Business Plan makes no reference to the trade-mark COMMUNITY CREDIT UNION – see attachment AM #15.)

In addition, the evidence raises doubt about Mr. Haubrich’s statement that the 1987 Annual Report “references use of the trade-mark COMMUNITY CREDIT UNION including there

having been new branch signs erected”. Page 3 of that report reads, “We began with the prominent “CREDIT UNION” signs on our downtown building.” As no photograph of any signage has been provided, I cannot tell if the signs read COMMUNITY CREDIT UNION or simply CREDIT UNION.

I will also mention that there is evidence that contradicts the statement at paragraph 10(a) of Mr. Haubrich’s affidavit that the Strategic Planning Session was, according to his recollection, held in the Spring of 1986. During cross-examination, it was pointed out to Mr. Haubrich that the executive summary stated, “The development of the following strategic business plan is just one phase of our 1986/87 program which began in September 1986 at our annual board/management planning session.” When questioned about this inconsistency, Mr. Haubrich agreed that the written documentation would probably be more accurate than his recollection of the events. [page 45 of the transcript]

During cross-examination, Mr. Haubrich advised that the 1986 Annual Report would have been published on or after January 16, 1987. [page 43 of transcript] Accordingly, that exhibit does not substantiate the claimed date of first use.

At page 52 of the transcript, Mr. Haubrich states that the folder in his Exhibit “D” would have been distributed after 1986 and that he doesn’t know when the pamphlet in that exhibit was distributed. Therefore, Exhibit “D” does not substantiate the claimed date of first use.

Whether or not a trade-mark has been used is a conclusion of law. Evidence must be presented on the basis of which I may conclude that the words **COMMUNITY CREDIT UNION** have been used as a trade-mark in accordance with section 4 of the Act. In the present case, we only have an unsubstantiated claim by Mr. Haubrich that the mark has been used since “about November 1986” or “the late fall of 1986”. The opponent points out that fall ends December 20 and I note that there are no materials that show how **COMMUNITY CREDIT UNION** was being used prior to the end of November 1986. Instead, there are several inconsistencies that raise doubt as to the correctness of Mr. Haubrich’s statements. For these reasons, I conclude that the opponent has satisfied its evidential burden and, because the applicant did not file evidence directed to positively establishing its claimed date of first use, the applicant has not satisfied its legal burden. The subsection 30(b) ground of opposition therefore succeeds.

Section 16(1)(a) Ground of Opposition

The opponent’s initial burden with respect to this ground of opposition is two-fold: it must show that it has used its trade-mark **I.W.A. AND COMMUNITY CREDIT UNION** before either the applicant’s first use of **COMMUNITY CREDIT UNION** or the filing of the applicant’s application; and, in order to satisfy subsection 16(5) of the Act, it must show that its mark was not abandoned as of the date of advertisement of application No. 1,020,666, namely June 7, 2000. Given that the evidence is that the opponent changed its name from **I.W.A. AND COMMUNITY CREDIT UNION** to **COMMUNITY SAVINGS CREDIT UNION** on November 16, 1998 and no evidence has been put forward to show that it was still using the trade-mark **I.W.A. AND COMMUNITY CREDIT UNION** as of June 7, 2000, I find that the opponent has not met its initial burden to show non-abandonment. Accordingly, this ground of opposition fails.

Distinctiveness Ground of Opposition

I will begin my discussion of the fourth ground by clarifying that the opponent may rely on its evidence of use of the words COMMUNITY CREDIT UNION by third parties, even though such parties were not identified in the statement of opposition. [see *Novopharm Ltd. v. AstraZeneca AB et al.* (2002), 21 C.P.R. (4th) 289 (F.C.A.); *Novopharm Ltd. v. Ciba-Geigy Canada Ltd.*; *Novopharm Ltd. v. Astra Aktiebolag* (2001), 15 C.P.R. (4th) 327 (F.C.A.)]

In *Canadian Council of Professional Engineers v. APA - The Engineered Wood Association* (2000), 7 C.P.R. (4th) 239 (F.C.T.D.), Mr. Justice O’Keefe discussed the issue of distinctiveness as follows at pages 253-4:

The distinctiveness of a proposed mark is evaluated upon a consideration of the definition provided by the Act, as well as the case law considering it: “distinctive”, in relation to a trade-mark, means a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them.

It is trite law that the hallmark of a trade-mark, given the requirement that it be distinctive, is the message that it sends to the public that the wares or services have *one single source*. If a trade-mark cannot function so as to indicate such a one single source, it is not registrable and is in fact no trade-mark at all. ...

While it may be true that a purely descriptive or a deceptively misdescriptive trade-mark is necessarily not distinctive, it is not correct to hold that merely because a mark is adjudged *not* to be either purely descriptive or deceptively misdescriptive, it is therefore distinctive.... In articulating this aspect of the law, I can do no better than the appellant’s words at paragraph 27 of its Memorandum:

While distinctiveness is quite often determined as part of an evaluation of whether or not the proposed trade-mark is registrable by way of confusion with another trade-mark, it is possible to refuse an application for registration on the basis of non-distinctiveness independent of the issue of confusion or any other grounds of opposition, provided the ground is raised in opposition.

...

With respect to the proposed mark “THE ENGINEERED WOOD ASSOCIATION” however, I must conclude that the proposed mark is not distinctive and therefore allow the opposition raised by the appellant to this proposed mark. Taken in its totality, this mark is a very generic expression which could be applied to any organization which provided similar wares and services. This mark cannot function to distinguish the wares or services of the respondent from those of others providing similar wares or services:

What is used as a trade-mark is required to be distinctive of the particular wares or services made, sold or performed in association with the mark in order to distinguish them from the wares or services of others and to identify them with a particular trader. If it is applicable to the general description of all wares or services of that class by whomsoever made and sold, the mark is not distinctive but descriptive and hence is not entitled to protection as a trade-mark.

(H. Fox, *The Canadian Law of Trade-marks and Unfair Competition*, 3rd ed., (Toronto, Carswell, 1956).)

However, Mr. Justice O’Keefe was dealing with a proposed-use application, whereas the application at hand was filed based on use. I must therefore consider both whether the applicant’s mark is inherently non-distinctive and, if it is, whether it has become distinctive through use. It is noted that in the present case, the distinctiveness ground does not plead either that the applicant’s mark is not distinctive because it is clearly descriptive or that it is not distinctive because it is confusing with marks/names used by others.

I conclude that the words COMMUNITY CREDIT UNION are inherently non-distinctive as they would likely be interpreted as referring to the services of a credit union that is either located locally, services a certain segment of the population, or takes into account community interests. Other traders might well wish to use such a phrase. The fact that many other credit unions have adopted the word COMMUNITY in their names simply reinforces such a conclusion. The words “community credit union”, whether clearly descriptive or not, appear to have been in common use in the industry in Canada as of the material date. No independently distinctive word has

been added to the common term **COMMUNITY CREDIT UNION** to distinguish the applicant's mark or services from those of others. The following words of Mr. Justice O'Keefe are therefore totally applicable to the present case: "Taken in its totality, this mark is a very generic expression which could be applied to any organization which provided similar wares and services. This mark cannot function to distinguish the wares or services of the respondent from those of others providing similar wares or services."

Turning next to the question of whether the mark has acquired distinctiveness, I note first that the legal onus is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its services from the services of others throughout Canada. [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272 (T.M.O.B.)]

All of the applicant's business offices are located in Alberta. However, as part of the cross-examination process, we learned that the applicant does have clients across Canada (undertakings Nos. 27 and 28). However, there is no evidence that the applicant had customers across Canada as of the material date of December 12, 2000.

As there is no evidence that the applicant's mark had been used or made known across Canada as of the material date, there is no evidence that it actually distinguishes its services from those of others throughout Canada. The distinctiveness ground of opposition therefore succeeds.

Before closing, I wish to note that my decision does not necessarily preclude a finding that the applicant's mark may have acquired distinctiveness in some parts of Alberta.

Paragraph 12(1)(b) Ground of Opposition

As the opponent has already succeeded on two grounds, I will not address this ground.

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the *Trade-marks Act*, I refuse the application pursuant to subsection 38(8) of the Act.

DATED AT TORONTO, ONTARIO, THIS 13th DAY OF JULY 2005.

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