

**IN THE MATTER OF AN OPPOSITION filed
by Axon Development Corporation to
Application No. 1,024,363 for the Trade-mark
THE I.C. AXON EVALUATOR filed by I.C.
Axon Inc.**

I The Pleadings

On August 2, 1999 I.C. Axon Inc. (the “Applicant”) filed an application to register the trade-mark THE I.C. AXON EVALUATOR, application number 1,024,363 (the “Mark”), on the basis of proposed use in Canada, in association with:

interactive computer software programs used on intra-nets and the global communications network, for competency testing of prospective and current employees and independent contractors, and providing competitive assessment games for training sessions, Pre-recorded CD Rom for competency testing of prospective and current employees and independent contractors, and providing competitive assessment games for training sessions (the “Wares”).

The application was advertised on February 5, 2003 in the Trade-marks Journal for opposition purposes.

Axon Development Corporation (the “Opponent”) filed on April 4th, 2003 a statement of opposition, which was revised at the Registrar’s request. It was then forwarded on August 5, 2003 to the Applicant. The sole ground of opposition raised by the Opponent is that the Mark is not registrable pursuant to s. 12(1)(d) of the Trade-marks Act R.S.C. 1985 c. T 13 (the “Act”) as it would be confusing “with the Opponent’s registered trade-mark number TMA400126, namely AXON, which has been used since 1982 and registered since July 10, 1982”. I shall determine hereinafter if such wording would encompass the grounds of opposition based on s. 16(3) of the Act.

In a counter statement dated December 3, 2003 the Applicant stated that its Mark was registrable pursuant to the provisions of s. 12(1)(d) as it was not confusing within the meaning of s. 2 and 6 of the Act. There was no reference in the Applicant’s counter statement to the entitlement to the

registration of the Mark pursuant to s. 16 of the Act nor that the Mark was distinctive within the meaning of s. 2 of the Act.

The Opponent filed the affidavit of Mr. Ken Sparrow while the Applicant filed the affidavit of Mr Pierre Bernier. Both parties filed written submissions and an oral hearing was held together with related application 1,051,281 for the registration of the trade-mark I.C. AXON.

II The Opponent's evidence

Mr. Sparrow describes himself as the Opponent's President. He states that the Opponent is the owner of the trade-mark AXON registered on July 10,1992 under number TMA400126.

He filed as exhibits to his affidavit:

- A copy of a "splash screen" displayed on the user's screen upon running the Opponent's software bearing the trade-mark AXON;
- Extracts of the user guide bearing the trade-mark AXON;
- Extracts of the Opponent's website bearing the trade-mark AXON;
- Copies of invoices for the sale of the software AXON, the earliest one going back to June 28, 1999.

There is a copy of an article published in the January/February 2002 edition of a magazine entitled "The Hauler Magazine". However we have no information on the circulation figures of such magazine in Canada.

There is an allegation of use of the Opponent's trade-mark since 1982. A bare allegation of use of a trade-mark is not sufficient to establish use of a trade-mark within the meaning of s. 4 of the Act. There are no documentation or sales figures for the period of 1982 to 1998 inclusive.

Mr. Sparrow alleges that the Opponent's computer software bearing the trade-mark AXON is either custom installed at the customer's place of business or is delivered electronically. As such there would be no standard packaging for the computer software. The Opponent maintains

regular contact with its customers from the point of sale, including maintenance and upgrade of its software products.

It clearly appears from the Opponent's own website extracts and its brochure filed as exhibits that its computer software offered for sale in association with the trade-mark AXON is aimed at the trucking industry. It includes the following features: trucking industry accounting, fuel tax tracking and driver logs and dispatch management systems.

III The Applicant's evidence

Mr. Bernier has been the Applicant's Vice-President, Finance and has been with the company since its inception in 1995. He states that the Applicant has been using the Mark in association with the Wares since September 2002. The sales made by the Applicant since that time total \$80,000. He filed one invoice dated November 15, 2004 that refers to I.C. AXON EVALUATOR. The absence of "THE" from the Mark is not a determining factor. He does not provide samples of any of the Wares that would support the allegation of use of the Mark within the meaning of s. 4(1) of the Act.

IV Analysis of the legal issues

The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial onus on the Opponent to establish the facts relied upon by it in support of each ground of opposition. Once this initial onus is met, the Applicant still has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [See *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722].

At the oral hearing the Opponent argued that the Applicant was not the person entitled to the registration of the Mark (s. 16(3) of the Act) and that the Mark was not distinctive (s. 2). It relied on the portion of the statement of opposition cited above wherein it is alleged that the

Opponent's trade-mark has been used since 1982. The only reference to the Act in the statement of opposition is to s. 12(1)(d). The Opponent failed to clearly state that it would rely on entitlement and lack of distinctiveness as separate grounds of opposition. Moreover they were not argued in the written submissions and the Opponent did not seek leave to amend its statement of opposition to include such grounds. I am not prepared to entertain those two additional grounds of opposition. [See *Imperial Developments Ltd. v. Imperial Oil Limited* (1984), 79 C.P.R. (2d) 12 (F.C.T.D.)]

i) Registrability

The material time for considering the issue of the registrability of the Mark is the date of the Registrar's decision. [See *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A.)]

Mr. Sparrow has not filed a copy of the Opponent's trade-mark registration. The Registrar has discretion to check the register to determine if a registration cited in a statement of opposition under s. 12(1)(d) ground of opposition is in good standing. [See *Quaker Oats of Canada Ltd./La Compagnie Quaker Oats Ltée. v. Manu Foods Ltd.*, 11C.P.R. (3d) 410] I used such discretion and confirm that the Opponent is the registered owner of registration TMA400126 for the trade-mark AXON in association with computer software based on use since 1982. Therefore the Opponent's initial onus has been met.

The test for confusion is set forth in s. 6(2) of the Act and I must have regard to all the surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or any ideas suggested by them. Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [See *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

The Supreme Court of Canada through Mr. Justice Binnie in *Mattel, Inc. v. 3894207 Canada Inc.*, (2006) 49 C.P.R. (4th) 321 described the test of confusion in those terms:

What, then, is the perspective from which the likelihood of a "mistaken inference" is to be measured? It is not that of the careful and diligent purchaser. Nor, on the other hand, is it the "moron in a hurry" so beloved by elements of the passing-off bar: *Morning Star Cooperative Society Ltd. v. Express Newspapers Ltd.* (1978), [1979] F.S.R. 113 (Eng. Ch. Div.), at p. 117. It is rather a mythical consumer who stands somewhere in between, dubbed in a 1927 Ontario decision of Meredith C.J. as the "ordinary hurried purchasers": *Klotz v. Corson* (1927), 33 O.W.N. 12 (Ont. H.C.), at p. 13. See also *Barsalou v. Darling* (1882), 9 S.C.R. 677 (S.C.C.), at p. 693. In *Aliments Delisle Ltée/Delisle Foods Ltd. v. Anna Beth Holdings Ltd.* (1992), 45 C.P.R. (3d) 535 (T.M. Opp. Bd.), the Registrar stated at p. 538:

When assessing the issue of confusion, the trade marks at issue must be considered from the point of view of the average hurried consumer having an imperfect recollection of the opponent's mark who might encounter the trade mark of the applicant in association with the applicant's wares in the market-place.

(...)

A consumer does not of course approach every purchasing decision with the same attention, or lack of it. When buying a car or a refrigerator, more care will naturally be taken than when buying a doll or a mid-priced meal: *General Motors Corp. v. Bellows*, [1949] S.C.R. 678 (S.C.C.). In the case of buying ordinary run-of-the-mill consumer wares and services, this mythical consumer, though of average intelligence, is generally running behind schedule and has more money to spend than time to pay a lot of attention to details.

It is with these general principles in mind that I shall assess each relevant factor identified above.

“Axon” is defined in the Webster’s Ninth New Collegiate Dictionary as:

“A usually long and single-nerve-cell process that usually conducts impulses away from the cell body.”

The addition of the word “evaluator” does suggest the character of the Wares, namely they serve to evaluate employees. Therefore the Mark is less inherently distinctive than the Opponent’s trade-mark AXON. The degree of distinctiveness of a trade-mark can be enhanced through its use in Canada.

The allegations in Mr. Sparrow's affidavit summarized above combined with the invoices filed lead me to conclude that the Opponent's trade-mark AXON was known since at least June 28, 1999 while at best the Applicant has proven use of the Mark since at least November 11, 2004. It would appear that the Opponent's trade-mark is more known than the Mark.

As for the period of time the trade-marks in issue have been in use, such factor also goes in favour of the Opponent.

The Opponent's registration TMA400126 covers computer software, which by its generality, covers the Wares. One would therefore be tempted to conclude that such factor favours the Opponent. However my colleague Jill W. Bradbury discussed a similar situation in *Unisys Corp. v. Northwood Technologies Inc* (2003), 29 C.P.R. (4th) 115 in the following terms:

When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties' trade-mark application or registration that govern in respect of the issue of confusion arising under paragraph 12(1)(d) [*Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (Fed. C.A.); *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (Fed. C.A.); *Miss Universe Inc. v. Bohna* (1994), 58 C.P.R. (3d) 381 (Fed. 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. In this regard, evidence of the actual trades of the parties is useful, particularly where there is an ambiguity as to the wares or services covered in the application or registration at issue [*McDonald's Corp. v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R. (3d) 168 (Fed. C.A.); *Procter & Gamble Inc. v. Hunter Packaging Ltd.* (1999), 2 C.P.R. (4th) 266 (T.M. Opp. Bd.); *American Optical Corp. v. Alcon Pharmaceuticals Ltd.* (2000), 5 C.P.R. (4th) 110 (T.M. Opp. Bd.)].

In the present case, the mark MAPPER was registered at a time when the term "computer program" was considered sufficiently specific for registration purposes. However, the Trade-marks Office now considers "computer program" to be too broad for registration purposes and recognizes that the purpose of a computer program may be sufficient to distinguish one computer program product from another. It therefore is reasonable and appropriate to consider the specific nature of the computer program marketed under the MAPPER trade-mark. Such an approach is consistent with that taken in *Endo Laboratories Inc. v. Dow Chemical Co.* (1972), 8 C.P.R. (2d) 149 (Fed. T.D.) where the Associate Chief Justice was dealing with a registration that covered "pharmaceutical preparations", a statement of wares that was also once accepted by the Trade-marks Office but which is now recognized as lacking specificity. At pages 153-4, the Associate Chief Justice made the following comments:

I indeed feel that in order to determine whether there is confusion between two marks under s. 6(5)(c) of the Act, one must look at the activities of the owners of the trade marks in the market place and having regard to the obligation of an applicant to apply for registration of specific wares, that the matter of whether a registered trade mark owner has used, or proposes to use, his mark in association with certain wares only, should, in such cases, be considered notwithstanding the broad wares covered by the registration.

The matter indeed should be given a realistic interpretation as pharmaceutical preparations cannot here be considered as "specific wares". If I am right in this regard, then, of course, it follows that the matter of confusion must be considered, having regard to the fact that appellant's mark is to be looked at as used in association with analgesic preparations, whereas respondent's is to be looked at in association with topical anesthetics only which, as we have seen, are two entirely different applications where the risks of confusion are, in my view, non-existent.

Ms. Keene refers to the MAPPER product as software. Accordingly, the wares of the applicant and the opponent are both computer software but computer software is not a specific ware as required by subsection 30(a). Since September 1996, the Trade-marks Office has required that "computer software" be specific as to the area of use and function of the software and so we should consider these aspects when comparing the nature of the present parties' wares. (My underlines)

The Wares are specifically defined and according to their description it is reasonable to assume that they are used or will be used to evaluate employees or contractors. The evidence filed by Mr. Sparrow shows that the Opponent's wares are specifically aimed at the trucking industry and they do not appear to be directed to the evaluation of individual in that industry. I conclude from the evidence that there exists a difference in the nature of the parties' respective wares. This factor does favour the Applicant.

There is no evidence on the nature of the parties' respective channels of trade used for the sale of their wares. In view of the specialized nature of the parties' respective wares, it is possible to conceive that they would be offered through different channels of trade.

The marks in issue do resemble one to the other in view of the inclusion of the Opponent's trade-mark AXON in the Mark which happens to be its dominant feature. This factor does favour the Opponent.

From this analysis of the relevant circumstances, I conclude that the Applicant has discharged its burden to prove on a balance of probabilities that the Mark is not likely to cause confusion, in the mind of an average consumer, with the Opponent's trade-mark AXON when used in association with the Wares. I reach this conclusion based on the fact that the nature of the Wares and their channels of trade are different than those of the Opponent. In this particular case I do consider those factors to be more important than the length of time the trade-marks have been in use, especially in view of the poor quality of the evidence filed by both sides on this issue, and the degree of resemblance of the marks. As such, the Mark can coexist with the Opponent's trade-mark AXON without any reasonable likelihood of confusion. The ground of opposition based on s. 12(1)(d) of the Act is therefore dismissed.

V Conclusion

Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I reject the opposition to the registration of the trade-mark THE I.C. AXON EVALUATOR, the whole pursuant to s. 38(8) of the Act.

DATED IN BOUCHERVILLE, QUEBEC, THIS 16th DAY OF JULY 2007.

Jean Carrière,
Member,
Trade-marks Opposition Board