

**IN THE MATTER OF AN OPPOSITION by 384051 B.C. Ltd.  
doing business as VPI of Canada to application No. 725,277 for  
the trade-mark CHATLINE filed by Interactive Media Group  
(Canada) Limited**

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On March 23, 1993, the applicant, Interactive Media Group (Canada) Limited, filed an application to register the trade-mark CHATLINE based on use of the trade-mark in Canada by the applicant or its predecessor-in-title, 725428 Ontario Ltd., since at least as early as November 10, 1988 in association with services identified as: “providing of telephone voice mail personals”.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of August 11, 1993 and the opponent, 384051 B.C. Ltd. doing business as VPI of Canada, filed a statement of opposition on August 23, 1993, a copy of which was forwarded to the applicant on October 1, 1993. The first ground of opposition is that the application does not conform to the provisions of Subsection 30(b) of the *Trade-marks Act* in that the applicant has not used the trade-mark since the claimed date of first use. As its second ground, the opponent alleged that the application does not conform to the requirements of Subsection 30(i) of the *Act* in that the applicant could not have been satisfied that it was entitled to use the trade-mark CHATLINE in Canada in association with the services described in the application since, at the date of filing the application, the applicant was, or should have been aware, of the opponent’s prior use of the trade-mark CHATLINE in Canada.

The third ground is based on Paragraph 16(1)(a) of the *Trade-marks Act*, the opponent alleging that the applicant is not the person entitled to registration of the trade-mark CHATLINE in that the applicant’s trade-mark is confusing with the opponent’s trade-mark CHATLINE which had been previously used in Canada by the opponent in association with “telephone dating services”. The fourth ground is that the applicant’s trade-mark is not distinctive in that it does not actually distinguish the applicant’s services, nor is it adapted to distinguish the applicant’s services from the services of others, including the opponent. As its final ground, the opponent alleged that the present application does not comply with Subsection 30(a) of the *Trade-marks Act* in that “providing of telephone voice mail personals” is not a statement in ordinary commercial terms of the specific

services in association with which the trade-mark is used.

The applicant filed and served a counter statement in which it effectively denied the opponent's grounds of opposition. As its evidence, the opponent filed the affidavit of Robert J. Madigan while the applicant submitted as its evidence the affidavit of John Farlinger. Mr. Farlinger was cross-examined on his affidavit, the transcript of the cross-examination and the responses to undertakings given during the cross-examination forming part of the opposition record. The opponent alone filed a written argument and both parties were represented at an oral hearing.

The first ground of opposition is that the application does not conform to the provisions of Subsection 30(b) of the *Trade-marks Act* in that the applicant has not used the trade-mark since the claimed date of first use. While the legal burden is upon the applicant to show that its application complies with Section 30 of the *Trade-marks Act*, there is an initial evidential burden on the opponent to establish the facts relied upon in support of its Section 30 ground [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; and *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R.(3d) 293]. Further, the material time for considering the circumstances respecting the issues of non-compliance with Section 30 of the *Act* is the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R.(3d) 469, at p. 475].

The evidential burden on the opponent respecting the issue of the applicant's non-compliance with Subsection 30(b) of the *Act* is a light one [see *Tune Masters v. Mr. P's Mastertune*, 10 C.P.R.(3d) 84, at p. 89]. Furthermore, Subsection 30(b) requires that there be continuous use of the applied for trade-mark in the normal course of trade since the date claimed [see *Labatt Brewing Company Limited v. Benson & Hedges (Canada) Limited and Molson Breweries, a Partnership*, 67 C.P.R.(3d) 258, at p. 262]. While Subsection 4(2) of the *Trade-marks Act* does not require that there be use 'in the normal course of trade' in relation to services, I am of the view that the requirement that the use of the trade-mark be continuous still applies to services. Moreover, the opponent's evidential burden can be met by reference not only to the Madigan affidavit, but also to the Farlinger affidavit and the transcript of his cross-examination [see, in this regard, *Labatt*

*Brewing Company Limited v. Molson Breweries, a Partnership*, 68 C.P.R.(3d) 216, at p. 230].

With respect to the initial burden on it, the opponent has relied upon the affidavit of Robert J. Madigan, President of the opponent. Mr. Madigan states that from October, 1988 to December, 1989, he served as an officer and director of 725428 Ontario Inc. doing business as Teleclassifieds. According to Mr. Madigan, when he joined Teleclassifieds in October 1988, Teleclassifieds was providing telephone voice-messaging services in Toronto and Montreal in association with the trade-mark TELEPERSONALS and, on or about November, 1988, Teleclassifieds began to operate in Toronto a new telephone voice-messaging service in association with the trade-mark THE CHATLINE. Mr. Madigan states that customers who contacted this service were played a taped message which advised them that they had contacted THE CHATLINE personals line. Further, Mr. Madigan notes that advertisements for THE CHATLINE service appeared in the November 10 and November 17 editions of NOW newspaper. According to Mr. Madigan, the name of the voice-messaging service was changed to #1 TELEPERSONALS CHATLINE FOR TWO and advertisements relating to that service appeared in the December 22, 1988 and January 12, 1989 editions of NOW magazine. Further, in paragraphs 9 to 13 of his affidavit, Mr. Madigan goes on to state the following:

Having regard to the above, and bearing in mind that Mr. Madigan was an officer of the applicant's predecessor-in-title and was not cross-examined on his affidavit, I have concluded that the opponent has met the evidential burden on it in respect of the Subsection 30(b) ground. As a result, the legal burden is upon the applicant to establish that it has complied with Subsection 30(b) of the *Trade-marks Act*. Further, the responses to questions 85 to 95 from the transcript of the Farlinger cross-examination confirm that the applicant did not use the trade-mark CHATLINE in association with the providing of telephone voice mail personals in Canada between January 1989 to August, 1992. Further, in my view, the advertisements which appeared in the December 22, 1989 and January 12, 1989 editions of NOW newspaper show use of the trade-mark TELEPERSONALS CHATLINE and not the trade-mark sought to be registered. Likewise, the advertisements which appeared in the Toronto area publications from August 1992 to January 1993 show use of the trade-mark PARADISE CHAT LINE CITY and not the trade-mark CHATLINE *per se*. Thus, the evidence of record points to there being no use of the trade-mark CHATLINE by the applicant in Canada from November 1988 to January 1993, a period of more than four years.

The applicant has submitted that the absence of use of its trade-mark CHATLINE can be considered as being in the normal course of trade. In this regard, the applicant has pointed out that it was constantly changing its products and services, as well as its product names, and that it has from time to time started and stopped products only to reintroduce them at a later date. However, such decisions were voluntary decisions to discontinue use of its marks as opposed to being the

result of market conditions or the like. In any event, I do not consider that the absence of use of the trade-mark CHATLINE for more than four years can be justified as being in the normal course of trade, particularly where Mr. Madigan's evidence is that the applicant's predecessor-in-title abandoned the trade-mark THE CHATLINE and changed it to #1 TELEPERSONALS CHATLINE FOR TWO in December 1988 [see paragraph 6, Madigan affidavit]. Consequently, I find that the applicant has failed to establish that there has been continuous use of the trade-mark CHATLINE in Canada in association with the services covered in the present application since the claimed date of first use [see *Labatt Brewing Company Limited v. Benson & Hedges (Canada) Limited and Molson Breweries, a Partnership*, 67 C.P.R.(3d) 258, at p. 262]. Thus, the first ground of opposition is successful in that the present application is contrary to Subsection 30(b) of the *Trade-marks Act*.

Having concluded that the present application does not comply with Subsection 30(b) of the *Trade-marks Act*, I do not propose considering the remaining grounds of opposition in detail. However, I am satisfied that the opponent has met its evidential burden in respect of the non-distinctiveness ground. In particular, the Madigan affidavit establishes that from March of 1990 to the date of opposition [August 23, 1993], the opponent used the trade-mark CHATLINE in Vancouver, British Columbia in association with telephone voice messaging services identical to those of the applicant. According to Mr. Madigan, as of October of 1993, approximately one-half of the opponent's annual revenues which exceeded \$1,000,000 were from its CHATLINE voice messaging services. Further, as of October of 1993, the opponent had in excess of 3,700 active male customers and, on any given day, received in excess of 10,000 calls.

The applicant argued that the opponent did not act in a *bona fides* manner in adopting and using the trade-mark CHATLINE since its President, Mr. Madigan, was previously President of the applicant's predecessor-in-title at the time that the applicant's predecessor commenced use of the trade-mark CHATLINE. However, as noted above, the uncontested evidence of Mr. Madigan is that the applicant's predecessor-in-title abandoned the trade-mark THE CHATLINE when the predecessor adopted the mark #1 TELEPERSONALS CHATLINE FOR TWO in December of 1988 and replaced it by the trade-mark RENDEZVOUS in January of 1989 which was in turn replaced

by the trade-mark THE PERSONAL MEETING LINE in February of 1989. As a result, I do not consider that the opponent acted other than in a *bona fides* manner in its adoption and use of the trade-mark CHATLINE in August of 1990 in British Columbia.

In view of the above, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its services from those of others throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.*, 4 C.P.R. (3d) 272 (T.M.O.B.)]. Furthermore, the material time for considering the circumstances respecting this issue is as of the filing of the opposition, that is, August 23, 1993 [see *Re Andres Wines Ltd. and E. & J. Gallo Winery*, 25 C.P.R.(2d) 126, at p. 130 (F.C.A.); and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.*, 37 C.P.R.(3d) 412, at p. 424 (F.C.A.)]. Having considered the applicant's evidence, I am not satisfied that the applicant has met the legal burden upon it. Indeed, the evidence of record establishes that it did not use the trade-mark CHATLINE in Canada from November of 1988 to January 1993 and that there was relatively limited use of the mark both prior to and subsequent to that date. Indeed, the Supreme Court of British Columbia issued an interlocutory injunction against the applicant's use of the trade-marks CHATLINE or CHATLINE CITY in British Columbia on November 3, 1993 and any use by the applicant of its trade-marks in British Columbia prior to that date cannot be considered as having accrued to its benefit. As a result, I find that the non-distinctiveness ground of opposition is also successful.

In view of the above, I have not considered the remaining grounds of opposition. Having been delegated by the Registrar of Trade-marks by virtue of Subsection 63(3) of the *Trade-marks Act*, I refuse the applicant's application pursuant to Subsection 38(8) of the *Trade-marks Act*.

DATED AT HULL, QUEBEC, THIS 24<sup>th</sup> DAY OF FEBRUARY, 1998.

G.W. Partington  
Chairperson  
Trade-marks Opposition Board