



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

**Citation: 2010 TMOB 103
Date of Decision: 2010-07-08**

IN THE MATTER OF AN OPPOSITION by American Automobile Association, Inc. to application No. 1,259,232 for the trade-mark AAA in the name of Keneck Ventures Inc.

THE RECORD

[1] On May 27, 2005, Keneck Ventures Inc. filed an application to register the trade-mark AAA based on proposed use of the mark in Canada in association with

wares

printed publications in the field of real estate,

services

real estate brokerage services; real estate appraisal and financial valuation; leasing of real estate; real estate agencies; real estate development; real estate equity sharing, namely, managing and arranging for co-ownership of real estate; real estate escrow services; testing and evaluation of real estate for the presence of hazardous materials; real estate investment; real estate listing; real estate management; real estate site selection; real estate syndication; real estate time-sharing; real estate trustee services; property management services; financial investment in the field of real estate; financial valuation of real estate; loan and mortgage financing; franchise sales and support services, namely offering technical assistance in the establishment and/or operation of real estate brokerage services and real estate agencies.

[2] A trade-mark application Examiner with the Canadian Intellectual Property Office objected that (i) a more specific description of the wares was required (ii) the applied for mark was confusing with registration No.TMA440,951 for the mark AAA, owned by The McGraw-Hill Companies, Inc. The cited mark covers the services of providing information concerning the debts and securities of various government bodies and private corporations as well as other related financial matters. The applicant responded to the first objection by describing its wares more specifically as

printed publications, namely, magazines, newspapers, brochures and pamphlets in the field of real estate.

[3] The applicant responded to the second objection by noting that “. . . the services address different consumer needs. The applicant’s services are for those interested in buying and selling real property. The registrant’s services would likely be used by someone interested in debt and security of large corporations including government entities.” The applicant further noted that the Registrar has allowed the co-existence of two third party registrations for the marks AAA and AAA Design, namely registration No.TMA430,671 covering services rendered to motor vehicle owners, and registration No.TMA392,604 covering margin brokerage accounts, respectively. The applicant argued that “as the above-referenced marks were found not to be confusing with the cited mark [registration No.TMA440,951], then the applicant’s mark should also not be considered confusing with same.”

[4] The Examiner accepted the applicant’s submissions and the subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated April 5, 2006. The application was then opposed by the American Automobile Association, Inc. (the owner of the mark AAA, registration No.TMA430,671, referred to above) on October 17, 2006. The Registrar forwarded a copy of the statement of opposition to the applicant on October 24, 2006, as required by s.38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[5] The opponent’s evidence consists of the affidavits of David Steventon and James G. Brehm, and certified copies of three trade-mark registrations owned by the opponent for the marks AAA; A.A.A. and AAA logo, shown below:

[6] The opponent’s and AAA logo cover the following



registrations for the marks AAA services:

services rendered to motor vehicle owners, motorists and travellers generally, namely: disseminating travel information; making travel arrangements; rating tourist accommodations; providing emergency

road service; recovering stolen motor vehicles; apprehending motor vehicle thieves and hit and run drivers; offering rewards for information leading to arrest and conviction of members' automobiles; obtaining motor vehicle license plates and title certificates; teaching motor vehicle operation; sponsoring school safety patrols; conducting traffic and pedestrian safety campaigns giving traffic safety lesson; advocating legislation favorable to safe and economical motor vehicle travel, operation and maintenance; conducting motor vehicle trials and endurance tests; making tests of automotive and related products, adjusting and collecting damage claims; obtaining insurance; placing insurance with underwriters; arranging for discount purchases; financial services including payment and collection of traveller's cheques, time deposits, investment counselling services, credit card and auto load services; reimbursements for legal services.

[7] The registration for A.A.A. covers the following wares:

shipping boxes, cartons, containers, portfolios, pocket books, card cases, typewriter ribbons, carbon paper, key rings, ash trays, signs, tire covers, stationery, wrapping paper, pen and pencil holders, book covers, maps, pamphlets and books, prints, label stickers, decalcomanias, posters, badges, medals, pins and buttons, overalls, raincoats and belts.

[8] The applicant's evidence consists of the affidavit of Lisa Saltzman. Ms. Saltzman's affidavit serves to introduce into evidence the results of a search of the trade-marks register for marks comprised of the letter string AAA (or equivalents). Both parties filed a written argument, however, only the opponent was represented at an oral hearing held on June 2, 2010.

STATEMENT OF OPPOSITION

[9] The first ground of opposition alleges that the application does not comply with s.30(i) of the *Trade-marks Act* because, at the date of filing the application, the applicant could not have been satisfied that it was entitled to use the mark AAA in view of the opponent's marks A.A.A., AAA and AAA logo (the opponent's "AAA marks").

[10] The second ground alleges that the applied for mark AAA is not registrable, pursuant to s.12(1)(d), because the applied for mark is confusing with each of the opponent's above-mentioned trade-mark registrations.

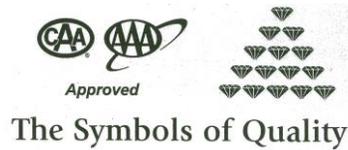
[11] The third ground alleges that the applicant is not entitled to register the applied for mark AAA because, at the time of filing the application, the applied for mark AAA was confusing with the opponent's above-mentioned marks previously used in Canada. In this regard, the opponent pleads use of its mark A.A.A. since 1909 and use of its marks AAA and AAA logo since 1927.

[12] The fourth ground, pursuant to s.2 of the *Act*, alleges that the applied for mark AAA is not adapted to distinguish the applicant's wares and services from those of the opponent.

OPPONENT'S EVIDENCE

James G. Brehm

[13] Mr. Brehm
Counsel and Managing
company. He states that the



identifies himself as Corporate
Director of the opponent
opponent was incorporated in

1902 in Connecticut, USA. Since then the opponent has operated as a federation of independent automobile clubs in the United States and Canada with the clubs being licensed to use the opponent's marks. As of April 2007, the opponent had over 50 million members of which over 5 million are in Canada. The opponent provides a wide variety of services relating to the ownership and operation of motor vehicles including insurance and financial services. The opponent publishes maps, tour guides and other travel related documents which are distributed to its members. The opponent operates a website at www.aaa.com through which members can obtain travel information and publications. The Canadian Automobile Association ("CAA") is affiliated with the opponent and is licensed to use the opponent's marks and to distribute the opponent's publications to members throughout Canada.

David Steventon

[14] Mr. Steventon identifies himself as Manager, Standards & Accreditation with the CAA. The CAA was founded in 1913 and is a federation of nine automobile clubs serving about 4.2 million members across Canada by the end of 2001. Membership gradually increased to 4.9 million by year end 2006. The CAA is a member of the opponent and works with the opponent to provide "a seamless delivery of AAA branded goods and services throughout North America." The CAA membership card displays the opponent's AAA logo.

[15] In the delivery of services in 2006 to CAA members and visiting members of the opponent federation, CAA clubs handed out about 1.7 million AAA branded TourBooks, CityBooks, CampBooks and maps, as well as about 7.3 million "strip maps" which are used to compile TripTiks, that is, personalized routings. The materials provided to CAA and AAA members are marked with the opponent's and CAA's logos as, for example, shown below:

[16] A general description of the opponent's activities is included as Exhibit B to Mr. Steventon's affidavit. The services offered to the opponent's and CAA members include 24-hour roadside assistance, discounts at "AAA-certified" car repair shops, and reduced rates at many hotels, motels, resorts and campgrounds. Cars may be financed or refinanced through the opponent's services. Auto, homeowner, life and renters insurance are available through the opponent's services. The opponent also inspects and rates lodgings and restaurants (on a scale of one to five diamonds) to provide members with a convenient way to select amenities: see Exhibit F of Mr. Steventon's affidavit.

APPLICANT'S EVIDENCE

Lisa Saltzman

[17] Ms. Saltzman identifies herself as a Director of a trade-mark searching department of a company located in Montreal. She performed a search of the trade-marks register for marks comprised of the letter string AAA and used in association with insurance and finance services. Seventeen marks were located, in the names of six different owners. Three of the marks, including the applied for mark AAA, were in the name of the applicant Keneck Ventures Inc. and were not yet registered. Two of the marks namely, AAA and AAA logo, belong to the opponent, leaving 12 third party marks registered in the names of four different owners. Three of the marks namely, STAAAR, STAAAR STRATEGY and STAAAR & Design are not relevant to the issues in this proceeding as the letter string AAA is contained in a recognizable, albeit fanciful word, leaving nine registrations in the names of four third parties.

LEGAL ONUS AND EVIDENTIAL BURDEN

[18] The legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition. The presence of a legal onus on the applicant means that if a determinate

conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant. However, there is also, in accordance with the usual rules of evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293 at 298. The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist.

FIRST GROUND OF OPPOSITION

[19] The first ground of opposition is based on s.30(i) of the *Trade-marks Act*, the opponent alleging that the applicant could not have been satisfied that it was entitled to use the trade-mark AAA in Canada, in association with various real estate services, having regard to the opponent's use of its AAA marks. As no evidence has been filed by the opponent in support of its allegation that the applicant could not have been satisfied that it was entitled to use the trade-mark AAA in Canada, the first ground is rejected.

MAIN ISSUE & MATERIAL DATES

[20] The main issue with respect to the remaining grounds of opposition is whether the applied for mark AAA is confusing with one or more of the opponent's AAA marks. The legal onus on the applicant is to show that would be no reasonable likelihood of confusion, within the meaning of s.6(2) of the *Act*, shown below, between the applied for mark AAA and any of the opponent's AAA marks:

The 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 .

. . or performed by the same person, whether or not the wares or services are of the same general class.

Thus, s.6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by s.6(2) is whether there would there be confusion of real estate services emanating from the applicant as being real estate services provided by, or endorsed by, the opponent.

[21] The material dates to assess the issue of confusion are (i) the date of decision, with respect to the ground of opposition alleging non-registrability: see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A.); (ii) the date of filing the application, in this case May 27, 2005, with respect to the ground of opposition alleging non-entitlement: see s.16(3)(a) of the *Trade-marks Act*; (iii) the date of opposition, in this case, October 17, 2006, in respect of the ground alleging non-distinctiveness: see *Re Andres Wines Ltd. and E. & J. Gallo Winery* (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and *Clarco Communications Ltd. v. Sassy Publishers Inc.* (1994), 54 C.P.R.(3d) 418 (F.C.T.D.). In the circumstances of the instant case, nothing turns on whether the issue of confusion is assessed at a particular material date.

Test for Confusion

[22] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are set out in s.6(5) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not

exhaustive; all relevant factors are to be considered. All factors do not necessarily have equal weight. The weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.).

Consideration of Section 6(5) Factors

[23] The applied for mark AAA possesses little inherent distinctiveness because it is comprised of a letter string and because the mark is laudatory, that is, it suggests something of high quality or excellence. It is therefore a relatively weak mark. Similarly, the opponent's AAA marks possesses relatively little inherent distinctiveness. However, based on the opponent's evidence, I am prepared to find that the opponent's mark AAA and AAA logo have, at all material times, acquired a substantial reputation in Canada in respect of the opponent's services which include trip routing, providing information on quality standards of accommodations and restaurants, and certification of auto repair shops. As the applied for mark AAA is based on proposed use in Canada, and as the applicant has not provided any evidence that it began to use its mark after the application was filed, I find that the applied for mark did not acquire any distinctiveness at any material time. Thus, the inherent distinctiveness of the marks in issue favours neither party while the acquired distinctiveness of the marks in issue favours the opponent.

[24] The length of time that the marks in issue have been in use also favours the opponent. Although the evidence is imprecise as to when the opponent began to use its AAA mark and logo in Canada, it is apparent that the mark and logo have been in use well before 2001. The nature of the parties' wares and services are different as the applicant is in the field of real estate services while the opponent is in the field of automobile club services related to the enjoyment and repair of motor vehicles. The nature of the parties' trades are also different, however, it appears that both parties would serve the same average consumer rather than different subsets of the general population. With respect to the resemblance between the marks in issue, I consider that the marks A.A.A. and AAA logo are minor variants of the mark AAA. Thus, the parties' marks are essentially identical for the purpose of assessing confusion.

In the result, the only factors which favour the applicant are that its wares, services and trade differ from the opponent's wares, services and trade.

Surrounding Circumstances

[25] At paras. 60-61 of its written argument, the applicant relies on Ms. Saltzman's evidence to argue that there are "numerous third party marks that comprise the AAA letter combination" and refers specifically to eight registrations standing in the names of three different owners. In my view, only five of those marks might assist the applicant's case. In any event, the applicant relies on Ms. Saltzman's findings to argue that the opponent's marks "possess little or no inherent distinctiveness." However, I have already found that the opponent's marks possess little inherent distinctiveness, without the benefit of state of the register evidence. Further, state of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace. In this regard, Ms. Saltzman's search provides too few relevant registrations owned by too few different parties for me to draw any inferences favourable for the applicant. In the absence of evidence of actual marketplace use of the mark AAA (or variations thereof) by third parties, I am not able to conclude that the public is aware of third parties using the mark AAA. In other words, I must conclude that, at all material times, the average consumer perceives the mark AAA as unique to the opponent.

DISPOSITION

[26] Considering all of the above, and taking into account in particular the substantial reputation acquired by the opponent's marks, and that the public is aware that the opponent certifies and rates third party services (such as auto repairs and accommodations), I find that it is likely that the public, at all material times, will assume the applicant's wares and services have been approved, licensed, or sponsored by the opponent. It follows that the applied for mark AAA is confusing with the opponent's AAA trade-marks: see *Glen-Warren Productions Ltd. v. Gertex Hosiery Ltd.* (1990), 29 C.P.R.(3d) 7 at 12 (F.C.T.D.).

[27] In view of the foregoing and pursuant to the authority delegated to me under s.63(3) of the *Trade-marks Act*, the subject application is refused.

Myer Herzig

Member

Trade-marks Opposition Board

Canadian Intellectual Property Office