IN THE MATTER OF AN OPPOSITION by Adtel Inc. to application No. 606,917 for the trade-mark DATEL filed by Datel, Inc.

On May 12, 1988, the applicant, Datel, Inc., filed an application to register the trade-

mark DATEL based on use in Canada since 1974 with the following wares:

components for data transmission, data processing and display systems, namely digital panel meters, display drivers, miniature thermal printers, data loggers, data acquisition apparatus, analog to digital converters, digital to analog converters, power supplies, multiplexers, sample and holds, signal conditioning apparatus, operational amplifiers, inverters, filters, instrumentation amplifiers, analog switches, analog gates, counters, DC-DC converters, isolator regulators, voltage converters, voltage to frequency converters, frequency to voltage converters, voltage references, and oscillators.

The application was advertised for opposition purposes on March 24, 1993.

The opponent, Adtel Inc., filed a statement of opposition on July 23, 1993, a copy of which was forwarded to the applicant on August 20, 1993. The first ground of opposition is that the application does not comply with the provisions of Section 30(b) of the Trade-marks Act because the applicant did not use its mark since 1974 as claimed. The second ground is that the application does not comply with the provisions of Section 30(e) of the Act because the applicant had no intention to use the applied for mark. The third ground is that the application does not comply with the provisions of Section 30(i) of the Act in view of the opponent's registered mark ADTEL registered on April 14, 1989.

The fourth ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Act because it is confusing with the opponent's trade-mark ADTEL registered under No. 354,594 for the following wares:

electronic instruments namely, automic [sic] call sequencers and prerecorded audio playback players

and for the following services:

production of customized advertising messages that are played back over the telephone while the listener is on hold, the design and installation of telephone systems for others, the design and installation of commercial sound systems for others.

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The fifth ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(1)(a) of the Act because it was confusing with the opponent's previously used trade-mark ADTEL. The sixth ground is also one of prior entitlement based on prior use of the opponent's trade-name. The seventh ground reads as follows:

The trade-mark is not distinctive, within the meaning of Section 2 of the Act, as it is not capable of distinguishing the wares of the Applicant, from the wares and services of the Opponent.

The applicant filed and served a counter statement. The opponent did not file any evidence. As its evidence, the applicant filed the affidavits of Charley Tsai and Michel Morency. Only the applicant filed a written argument and an oral hearing was conducted at which only the applicant was represented.

As for the first ground of opposition, the onus or legal burden is on the applicant to show its compliance with the provisions of Section 30(b) of the Act. However, there was an evidential burden on the applicant to file evidence in support of its supporting allegation that the applicant did not use its mark since the date claimed. Since the applicant did not file evidence, the first ground is unsuccessful.

The second ground does not raise a proper ground of opposition since compliance with Section 30(e) of the Act is only required in the case of an application based on proposed use in Canada. The present application is based on use in Canada.

The third ground does not raise a ground of opposition since the supporting allegation of fact does not support a ground of non-compliance with Section 30(i) of the Act. The fact that the opponent obtained a registration in April of 1989 could not have precluded the applicant from being satisfied that it was entitled to use its mark as of its filing date (May 12, 1988) since the registration was not even in existence at that time. Furthermore, the opponent

did not even assert that the applicant was aware of the opponent's mark (whether registered

or not) as of its filing date. Thus, the third ground is unsuccessful.

As for the fourth ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark pursuant to Section 12(1)(d) of the Act is the date of my decision: see the decision in <u>Conde Nast Publications Inc.</u> v. <u>Canadian Federation of Independent Grocers</u> (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, the opponent's mark ADTEL is a coined word and is therefore inherently distinctive. However, it is suggestive of wares and services related to the presentation of ads over the telephone. Thus, the opponent's mark is inherently weak. There being no evidence from the opponent, I must conclude that its mark has not become known at all in Canada.

The applicant's mark is also a coined word and is therefore also inherently distinctive. It is somewhat suggestive of the applicant's wares which could be used in the telecommunications field for the transmission of data. Thus, the applicant's mark is not inherently strong. Since the applicant filed no evidence regarding its mark, I must conclude that its mark, too, has not become known at all in Canada.

The length of time the marks have been in use is not a material circumstance in the present case. The applicant's wares differ from the opponent's wares and services. The applicant's wares comprise a number of sophisticated electronic components of data processing, transmission and display systems. The applicant's wares, on the other hand, are call sequencers and audio playback machines used in the performance of the applicant's services which comprise the design and installation of telephone ad systems and commercial sound systems. The only apparent possible connection between the wares of the parties is that

one or more of the specific components listed in the applicant's statement of wares might be of the type used in the manufacture of the opponent's devices. Even if that were the case, however, it would appear that the trades of the parties would be quite distinct.

As for Section 6(5)(e) of the Act, the marks of the parties bear some resemblance visually, phonetically and in the ideas suggested due to the common use of the suffix TEL. The applicant has submitted that the significance of any resemblance between the marks is mitigated by the state of the register evidence introduced by means of the applicant's two affidavits. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in Ports International Ltd. v. Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 and the decision in Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd. (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

In the present case, the Tsai and Morency affidavits evidence the existence on the trademarks register of 49 trade-marks ending in the suffix TEL registered for various telecommunications wares and services. Given the number of registrations, I am able to conclude that some of those marks are in active use. Consumers would therefore be used to seeing such marks in the marketplace and would be more likely to distinguish such marks on the basis of the elements other than the suffix TEL.

In assessing the issue of confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the differences in the wares and trades of the parties, the absence of any reputation for the opponent's mark, the state of the register evidence and the fact that there is not a high degree of resemblance between the marks, I find that the applicant has satisfied the onus on it to show that the marks of the parties are not confusing. The fourth ground is therefore

unsuccessful.

As for the fifth and sixth grounds of opposition, there was an initial burden on the

opponent to evidence use of its trade-mark or trade-name prior to the applicant's claimed date

of first use (i.e. - December 31, 1974) and to evidence non-abandonment of its mark or name

as of the applicant's advertisement date. Since the opponent failed to file evidence, it failed

to meet its initial burden respecting these two grounds and they are therefore both

unsuccessful.

As for the seventh ground, it fails to satisfy the requirements of Section 38(3)(a) and

must fail on that basis alone. If the opponent intended this ground to be based on an allegation

of confusion with its trade-mark or trade-name it would have been unsuccessful, in any event,

since the opponent failed to evidence any use of its mark or name.

In view of the above, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 19th DAY OF MARCH, 1996.

David J. Martin,

Member,

Trade Marks Opposition Board.

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