

**IN THE MATTER OF AN OPPOSITION by
Primus Telecommunications Management Inc. / Gestion de Télécommunications Primus Inc.
to application No. 877,492
for the trade-mark PRIMUS
in the name of Primus Knowledge Solutions, Inc.**

On May 7, 1998, the applicant, Primus Communications Corporation, filed an application to register the trade-mark PRIMUS. The applicant subsequently changed its name to Primus Knowledge Solutions, Inc.

The application is based upon use of the trade-mark in Canada since at least as early as April 24, 1996, in association with the following wares and services marked (2), as well as upon use and registration in the United States of America in association with the wares and services marked (1).

WARES:

(1) Problem-resolution software used to create, store, retrieve, distribute, manage and maintain a knowledge base of solutions to problems occurring in high technology products.

SERVICES:

(1) Computer services, namely, information storage and retrieval in the field of problem solution information; providing computer problem solving information to multiple users by means of a global computer network.

(2) Computer services for the modification, implementation, integration, installation and support of knowledge management software, and services related to performance management, planning and process development and data conversion with respect to the use of knowledge management software, and training with respect to the use of such software; business consulting services for the management and distribution of knowledge within organizations, namely global data

management, process management, quality management, and reporting on knowledge utilization, and business support services related to performance management, planning and process development, data conversion with respect to the use of knowledge management software, and training with respect to the use of such software.

The application was advertised for opposition purposes in the Trade-marks Journal of December 1, 1999. The opponent, Primus Telecommunications Management Inc. / Gestion de Télécommunications Primus Inc., filed a statement of opposition on February 1, 2000. The grounds of opposition are summarized below:

- 1. the application does not comply with subsection 30(b) of the *Trade-marks Act* because the applicant has not used the mark from the date of first use alleged;**
- 2. the application does not comply with subsection 30(d) of the Act because the applicant has not used the mark as a trade-mark in the United States;**
- 3. the application does not comply with subsection 30(i) of the Act because the applicant was or ought to have been aware of the opponent's previous use of the trade-mark PRIMUS and the trade-name PRIMUS TELECOMMUNICATIONS MANAGEMENT INC. / GESTION DE TÉLÉCOMMUNICATIONS PRIMUS INC. in association with management consulting services;**
- 4. the applicant is not the person entitled to register the mark having regard to paragraphs 16(1)(a) and (c) of the Act in that the mark is confusing with the opponent's previously used and made known trade-mark and trade-name;**
- 5. the applicant is not the person entitled to register the mark having regard to paragraphs 16(2)(a) and (c) of the Act in that the mark is confusing with the opponent's previously used and made known trade-mark and trade-name;**
- 6. the applicant's trade-mark is not distinctive in that it does not distinguish, and is not adapted to so distinguish, the applicant's wares and services from the opponent's services because the applicant's mark is confusing with the opponent's trade-mark and trade-name.**

The applicant filed and served a counter statement in which it denied the opponent's allegations.

The opponent filed the affidavit of Alan Eugeni. The applicant filed the affidavit of Michael A. Brochu.

Only the applicant filed a written argument. I have not considered the third party trade-mark registrations attached to the written argument as they have not been properly introduced as evidence.

The Evidence

Evidence of Mr. Eugeni

Mr. Eugeni, the opponent's President, states that the opponent has offered and rendered management consulting services in the telecommunications industry in Canada since at least as early as May 16, 1996. He provides a copy of an invoice dated June 3, 1996 that displays the trade-mark PRIMUS at the top, as well as copies of similar invoices from each of the years 1997 through 2000. He also provides a typical business card and letterhead, each of which displays the trade-mark PRIMUS. The opponent's clients are "telecommunications industry players such as AlphaNet Telecom Inc., Alliances ArtQuest International Inc., Bell Canada..." and government agencies in the areas of telecommunications, international trade and international relations. Mr. Eugeni states that his company's "clientele is and has been basically established through personal contacts and through word of mouth."

Evidence of Mr. Brochu

Mr. Brochu, the applicant's President and CEO, states that the applicant provides "knowledge solutions' designed to allow companies and other entities to access, analyze, share, and add value to their information more effectively." In particular, the applicant sells 'problem resolution' or 'customer service solution' software and provides computer services in the form of consulting, educational and technical support services. He states that the applicant first adopted the mark PRIMUS in 1995 and that its clients are typically major corporations, such as Nortel, IBM, Nokia, 3M and Boeing. The average cost of one of the applicant's PRIMUS products or services is approximately \$100,000. Mr. Brochu states that "given the complexities of information systems, computer networks and corporate reporting structures..., the decision to purchase a significant software product or services... is not a hastily or lightly made decision." Moreover, Mr. Brochu states that the individuals making the purchases on behalf of the applicant's customers are usually highly educated and sophisticated people who are experienced in purchasing computer products.

Mr. Brochu provides materials to show how his company has used the PRIMUS trade-mark. The mark is displayed on both the applicant's software and user manuals. Since approximately May 1997, the applicant has advertised its products and services for sale on its web site and in November 2001 and January 2002 the applicant conducted a direct marketing campaign to potential customers in Canada. Mr. Brochu has provided his company's annual worldwide marketing expenses but has indicated that it does not keep separate records for those expenses which relate only to Canada.

Mr. Brochu provides materials evidencing the negotiations that started before October 1995 and that led up to a sale by his company of PRIMUS products and services to a Canadian company in April 1996. He also provides materials concerning subsequent sales to Canadian companies in 1999, 2000 and 2001. The applicant's annual Canadian sales of PRIMUS products and services have been approximately as follows: 1996 - \$300,000; 1997 - \$375,000; 1998 - \$650,000; 1999 - \$95,000; 2000 - \$100,000; 2001 - \$450,000.

Mr. Brochu concludes by stating that he is not aware of anyone ever being confused between the applicant's PRIMUS mark and the opponent's mark; nor has anyone ever inquired if there is any affiliation between the two companies.

Grounds of Opposition

Although the ultimate legal burden lies on the applicant in opposition proceedings, there is an evidential burden on the opponent to first adduce sufficient evidence to support the truth of its allegations.

The first two grounds of opposition fail because the opponent has not met its initial evidential burden to show that the applicant has not used PRIMUS in Canada or the United States, as alleged. The applicant is therefore not required to evidence such use but the applicant's evidence does show use of its mark in Canada as of its claimed date of first use.

The third ground of opposition fails because the opponent has not met its initial burden to show that the applicant was aware of the opponent's alleged rights at the time of its application. In any event, as the applicant's evidence shows that its use of PRIMUS in Canada predated that of the opponent, it would nevertheless have been able to be satisfied that it was entitled to use PRIMUS.

The fourth and fifth grounds of opposition are based upon subsections 16(1) and (2) of the Act, which are reproduced below:

16. (1) Any applicant who has filed an application in accordance with section 30 for registration of a trade-mark that is registrable and that he or his predecessor in title has used in Canada or made known in Canada in association with wares or services is entitled, subject to section 38, to secure its registration in respect of those wares or services, unless at the date on which he or his predecessor in title first so used it or made it known it was confusing with

(a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;

(b) a trade-mark in respect of which an application for registration had been previously filed in Canada by any other person; or

(c) a trade-name that had been previously used in Canada by any other person.

(2) Any applicant who has filed an application in accordance with section 30 for registration of a trade-mark that is registrable and that the applicant or the applicant's predecessor in title has duly registered in or for the country of origin of the applicant and has used in association with wares or services is entitled, subject to section 38, to secure its registration in respect of the wares or services in association with which it is registered in that country and has been used, unless at the date of filing of the application in accordance with section 30 it was confusing with

(a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;

(b) a trade-mark in respect of which an application for registration had been previously filed in Canada by any other person; or

(c) a trade-name that had been previously used in Canada by any other person.

The fourth ground of opposition fails because the opponent has not evidenced use of either its PRIMUS trade-mark or its trade-name prior to the date of first use evidenced by the applicant.

With respect to the fifth ground of opposition, the opponent is required to evidence use of its trade-mark or trade-name prior to the filing of the applicant's application. The opponent has met this burden and therefore I must consider whether or not there was a reasonable likelihood of confusion between the two parties' marks as of the material date of May 7, 1998. Similarly, the opponent has met its initial burden with respect to the sixth ground of opposition and therefore I must consider whether or not there was a reasonable likelihood of confusion between the two parties' marks as of the material date of February 1, 2000. If confusion is not likely between the two PRIMUS trade-marks, then confusion would also not be likely between the opponent's trade-name and the applicant's trade-mark.

The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion set forth in subsection 6(2) of the *Trade-marks Act*, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in subsection 6(5) of the Act. Those factors specifically set out in subsection 6(5) are: the inherent distinctiveness of the trade-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; and the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. The weight to be given to each relevant factor may vary, depending on the circumstances [*Clorox Co. v. Sears Canada Inc.* 41 C.P.R. (3d) 483 (F.C.T.D.); *Gainers Inc. v. Tammy L.*

Marchildon and The Registrar of Trade-marks (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

The parties' trade-marks are identical and therefore they share the same degree of inherent distinctiveness. The word PRIMUS might be understood to have a laudatory connotation.

By adding up the fees for services rendered on the invoices introduced by Mr. Eugeni that predate 2000, I have concluded that the opponent had sales worth approximately \$200,000 as of that date. This is in contrast to the applicant's sales of approximately \$1.4 million. Prior to May 7, 1998, the opponent had sales of approximately \$110,000 compared to the applicant's sales of \$675,000. Based on the extent of sales, it would appear that the applicant's PRIMUS trade-mark may have been better known than that of the opponent as of each of the material dates.

The length of time that each party has used its mark in Canada slightly favours the applicant. We have not been provided with much information concerning each party's business or the nature of its trade but it does appear that each targets large businesses. The opponent provides management consulting services to the telecommunications industry whereas the applicant provides computer software and related computer services to a variety of businesses. The applicant's wares/services are significantly more expensive than the opponent's services and the applicant states that its clientele are both sophisticated and knowledgeable. The opponent relies on personal contacts and word of mouth to engage clients whereas the applicant uses print advertising, point-of-sales displays, trade shows and a web site.

The trade-marks are of course identical.

As a further surrounding circumstance, we have Mr. Brochu's statement that he is unaware of anyone being confused between the two parties' marks or businesses, despite at least five years of co-existence.

With respect to the distinctiveness ground of opposition, the opponent need show that the trade-mark that it relies upon had become known sufficiently to negate the distinctiveness of the applied-for mark as of May 7, 1998 [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.), *Re 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) 412 at 424 (F.C.A.)]. I conclude that this is not the case because the applicant's use of PRIMUS began first and has been more extensive than that of the opponent. I also note that I cannot determine that the opponent's mark has become known to any great extent given that the opponent has relied on personal contacts and word of mouth to establish its business and it has not had large sales. In the circumstances of the present case, I find that it is more probable than not that the mark applied for was capable of distinguishing the applicant's wares and services from the opponent's services throughout Canada as of February 1, 2000.

I also conclude that the applicant has met its onus to show that it is more probable than not that its trade-mark was not likely to be confused with the opponent's trade-mark as of May 7, 1998. I reach this conclusion primarily because the applicant's mark was used before the opponent

began using its mark and the extent of use of the applicant's mark outweighs that of the opponent.

Disposition

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

DATED AT TORONTO, ONTARIO, THIS 15th DAY OF SEPTEMBER 2004.

Jill W. Bradbury
Member
Trade-marks Opposition Board