



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

Citation: 2011 TMOB 11
Date of Decision: 2011-01-24

**IN THE MATTER OF AN OPPOSITION
by Corel Corporation to application
No. 1,211,543 for the trade-mark
CORBEL in the name of Microsoft
Corporation**

[1] On March 30, 2004, Microsoft Corporation (the Applicant) filed an application to register the trade-mark CORBEL (the Mark) based upon proposed use of the Mark in Canada in association with “computer software for use in displaying and printing digital typeface designs, typographical ornaments and character fonts” (the Wares). The Applicant claimed a convention priority filing date of December 2, 2003.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of March 14, 2007.

[3] On May 14, 2007, Corel Corporation (the Opponent) filed a statement of opposition. The Applicant filed and served a counter statement in which it denied the allegations contained in the statement of opposition.

[4] In support of its opposition, the Opponent filed an affidavit of its Senior VP, Legal and General Counsel, Christopher DiFrancesco. In support of its application, the Applicant filed affidavits of Simon Daniels (a Senior Program Manager Lead employed by the Applicant) and Michael Yun (an articling student employed by the Applicant’s trade-mark agents). None of the affiants was cross-examined.

[5] By letter dated July 6, 2009, the Opponent was granted leave to amend its statement of opposition.

[6] Only the Applicant filed a written argument. An oral hearing was not requested.

Summary of Grounds of Opposition and Applicable Material Dates

[7] The Opponent has pleaded the following grounds of opposition pursuant to s. 38(2)(a) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act):

1. the application does not comply with s. 30(e) in that the Applicant by itself or through a licensee, or by itself and through a licensee, does not intend to use the Mark in Canada;
2. the application does not comply with s. 30(i) in that the Applicant could not have been satisfied it was entitled to use the Mark in view of the existence and use in Canada of the Opponent's family of COREL trade-marks.

[8] The Opponent has also pleaded the following ground of opposition pursuant to s. 38(2)(b) of the Act:

1. the Mark is not registrable pursuant to s. 12(1)(d) in that the Mark was and is confusing with the Opponent's family of registered trade-marks consisting of and/or comprised of the word COREL in association with a variety of products including computer software (particulars of 16 such marks are provided).

[9] In addition, the Opponent has pleaded the following grounds of opposition pursuant to s. 38(2)(c) of the Act:

1. the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(2)(a), in that as of both December 2, 2003 and March 30, 2004, the Mark was confusing with the Opponent's previously used family of COREL trade-marks;

2. the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(2)(c), in that as of both December 2, 2003 and March 30, 2004, the Mark was confusing with the Opponent's previously used trade-name COREL CORPORATION;
3. the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(3)(a), in that as of both December 2, 2003 and March 30, 2004, the Mark was confusing with the Opponent's previously used family of COREL trade-marks;
4. the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(3)(c), in that as of both December 2, 2003 and March 30, 2004, the Mark was confusing with the Opponent's previously used trade-name COREL CORPORATION.

[10] Finally, the Opponent has pleaded the following ground of opposition pursuant to s. 38(2)(d) of the Act:

1. having regard to the foregoing, the Mark is not distinctive of the Applicant, nor is it adapted to distinguish the Wares of the Applicant from the wares and/or services of the Opponent.

[11] As the Applicant has not based its application on use and registration of the Mark abroad, the Opponent has inappropriately pleaded grounds of opposition pursuant to s. 16(2); those grounds are accordingly dismissed.

[12] The material dates with respect to the remaining grounds of opposition are as follows:

- s. 38(2)(a)/30 - the convention priority filing date claimed by the Applicant;
- s. 38(2)(b)/12(1)(d) - the date of my decision [*Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks* (1991), 37 C.P.R. (3d) 413 (F.C.A.)];
- s. 38(2)(c)/16(3)(a) and (c) - the convention priority filing date claimed by the Applicant;

- s. 38(2)(d)/2 - the date of filing of the opposition [*Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Onus

[13] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [*John Labatt Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].

Section 30(e) Ground of Opposition

[14] Since the application contains a statement that the applicant by itself and/or through a licensee intends to use the trade-mark in Canada, it formally complies with s. 30(e). The issue therefore becomes whether or not the Applicant has substantially complied with s. 30(e), i.e. is the Applicant's statement that it intended to use the Mark true? [See *Home Quarters Warehouse, Inc. v. Home Depot, U.S.A., Inc.* (1997), 76 C.P.R. (3d) 219 (T.M.O.B.); *Jacobs Suchard Ltd. v. Trebor Bassett Ltd.* (1996), 69 C.P.R. (3d) 569 (T.M.O.B.)].

[15] The Opponent's initial burden may be lighter respecting the issue of non-compliance with s. 30(e) of the Act since the facts supporting the Applicant's intention to use the Mark in Canada are particularly within the knowledge of the Applicant [*Molson Canada v. Anheuser-Busch Inc.* (2003), 29 C.P.R. (4th) 315 (F.C.) at 334]. However, when an applicant files potentially relevant evidence and the opponent does not take advantage of its right to cross-examination, the opponent's initial burden may not be lighter [see *Fossil Inc. v. Emeny* (2005), 2005 CarswellNat 453 (T.M.O.B.) at para. 13].

[16] Although there are potential weaknesses in Mr. Daniels' evidence concerning who would use the Mark or how the Mark would be used in Canada, these weaknesses are not clearly inconsistent with the Applicant's stated intention to use the Mark.

[17] The s. 30(e) ground is therefore dismissed on the basis that the Opponent has not met its initial burden.

Section 30(i) Ground of Opposition

[18] This ground is dismissed on two bases. First, the Opponent has not pleaded (or shown) that the Applicant was aware of the Opponent's marks when it filed its application. Second, where an applicant has provided the statement required by s. 30(i), a s. 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155]. The Applicant has provided the statement required by s. 30(i) and there is no evidence that this is an exceptional case.

Likelihood of Confusion

[19] Each of the remaining grounds alleges that there is a likelihood of confusion between the Opponent's various COREL marks (or trade-name) and the Mark. However, as indicated earlier, the likelihood of confusion must be assessed as of a different date under each ground.

[20] The most relevant of the Opponent's marks/name is the trade-mark COREL *simpliciter* as associated with computer software and my discussion will focus on the likelihood of confusion between the CORBEL Wares and COREL software.

[21] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that 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, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[22] In applying the test for confusion, I must have regard to all the surrounding circumstances, including those specifically enumerated in s. 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has been in use; (c) the nature of the wares, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal

weight. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.) [*Mattel*].]

[23] In *Mattel*, Mr. Justice Binnie elaborated on the test of confusion as follows:

56 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.

...

58 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. In appropriate markets, such a person is assumed to be functionally bilingual: *Four Seasons Hotels Ltd. v. Réseau de television Quatre Saisons Inc./Four Seasons Television Network Inc.* (1992), 43 C.P.R. (3d) 139 (T.M. Opp. Bd.). To those mythical consumers, the existence of trade-marks or brands make shopping decisions faster and easier. The law recognizes that at the time the new trade-mark catches their eye, they will have only a general and not very precise recollection of the earlier trade-mark, famous though it may be or, as stated in *Pepsi-Cola Co. v. Coca-Cola Co.*, [1942] 2 D.L.R. 657 (Canada P.C.), "as it would be remembered by persons possessed of an average memory with its usual imperfections" (p. 661). The standard is not that of people "who never notice anything" but of persons who take no more than "ordinary care to observe that which is staring them in the face": *Coombe v. Mendit Ltd.* (1913), 30 R.P.C. 709 (Eng. Ch. Div.), at 717. However, if ordinary casual consumers somewhat in a hurry are likely to be deceived about the origin of the wares or services, then the

statutory test is met.

[24] I will begin by addressing the likelihood of confusion under the s. 16(3)(a) ground, i.e. as of December 2, 2003. The Opponent has met its initial burden under this ground as Mr. DiFrancesco evidences that there were Canadian sales of COREL software prior to December 2, 2003 (see for example paragraphs 21, 24, and 33 and Exhibits D-2 and I).

inherent distinctiveness of the trade-marks and the extent to which they have become known

[25] COREL appears to be an invented word and accordingly the Opponent's mark is inherently distinctive.

[26] Mr. Yun has provided the following dictionary definition for "corbel": a projection of stone, timber, etc., jutting out from a wall to support a weight, 2. a short timber laid longitudinally under a beam to help support it. As this definition does not relate to the Wares, the Mark is also inherently distinctive.

[27] The distinctiveness of a mark may be further increased by use and promotion. Mr. DiFrancesco's evidence is that there have been millions of dollars of Canadian sales of wares in association with the Opponent's COREL mark in each of the years 2000 through 2007 and he provides evidence of extensive advertising. In contrast, as of December 2, 2003, the Applicant had not begun to use or promote its Mark.

length of time each trade-mark has been in use

[28] As of December 2, 2003, the Opponent had been using its mark for more than 10 years, whereas the Applicant had not yet commenced use of its Mark.

nature of the wares, services, business or trade

[29] Mr. DiFrancesco explains that the Opponent is a developer of graphics, productivity and digital media software. COREL appears to be used as a house mark for a number of software products used for desktop publishing, graphics, word processing, spreadsheets, digital imaging, etc. Mr. DiFrancesco states that the Opponent's software extends from publishing software to word processing software to animation software to digital media software. The Opponent's word

processor software includes typographical ornaments and character fonts (both the trade-mark COREL and the trade-mark WORDPERFECT are associated with such software).

[30] The Opponent's wares are sold through distributors, original equipment manufacturers, and retailers, as well as online.

[31] In Mr. Daniels' affidavit, there are references to both CORBEL software and CORBEL font. Mr. Daniels states that the CORBEL software is software used by an operating system or other computer software application to render letters and other characters in a specific typeface style or font. He further states that sometimes the CORBEL software is sold, sometimes it is distributed for free, and sometimes it comes bundled as part of larger pieces of software (e.g. WINDOWS VISTA operating system). The CORBEL software is also sold by third parties, as evidenced by Exhibit 2; Exhibit 2 is an online ad from www.myfonts.com.

[32] I note that in its written argument, the Applicant seeks to distinguish the parties' wares on the basis that the Applicant's software is dedicated to the display of a particular font whereas the Opponent's word processing applications software includes software for displaying a collection of fonts.

degree of resemblance between the trade-marks

[33] The marks at issue are quite similar in appearance and sound. Although the Applicant's Mark has a dictionary meaning, it is not apparent that the meaning of "corbel" would be known to the average purchaser or user of the Applicant's Wares. Therefore, I do not think that the dictionary meaning assists the Applicant to any significant degree because it is not evident that the average Canadian software purchaser would respond to CORBEL as suggesting any particular idea.

additional surrounding circumstances

i) state of the register/marketplace

[34] There is no evidence that others have used similar marks.

ii) Opponent's family of marks

[35] The Opponent has pleaded that it has a family of COREL marks. A party seeking to establish use of a family of marks must also establish that it is using more than one or two trademarks within the alleged family. Mr. DiFrancesco has done this. However, I do not consider the Opponent's family of marks to be a determining factor in the circumstances of this case.

Conclusion regarding likelihood of confusion as of December 2, 2003

[36] Having considered all of the surrounding circumstances, I find that the Applicant has not discharged its legal burden under the s. 16(3)(a) ground of opposition. The parties' marks are very similar and they are associated with wares that are not dissimilar. In a world where the average Canadian software user/purchaser was familiar with only the Opponent's COREL software products, s. 6(2) directs us to consider whether the use of CORBEL "in the same area would be likely to lead to the inference that the wares or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class." I find that the small differences between the marks, the small differences between their associated wares, and any differences between their channels of trade are insufficient to make confusion unlikely. In reaching this conclusion, I have had regard to the following guidance provided by the Supreme Court of Canada in *Veuve Clicquot Ponsardin v. Boutiques Clicquot Ltée et al* (2006), 49 C.P.R. (4th) 401 (S.C.C.), at paragraph 20:

The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the name *Clicquot* on the respondents' storefront or invoice, at a time when he or she has no more than an imperfect recollection of the VEUVE CLICQUOT trade-marks, and does not pause to give the matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks. As stated by Pigeon J. in *Benson & Hedges (Canada) Ltd. v. St. Regis Tobacco Corp.* (1968), [1969] S.C.R. 192 (S.C.C.), at p. 202:

It is no doubt true that if one examines both marks carefully, he will readily distinguish them. However, this is not the basis on which one should decide whether there is any likelihood of confusion.

...the marks will not normally be seen side by side and [the Court must] guard against the danger that a person seeing the new mark may think that it is the same as one he has seen before, or even that it is a new or associated mark of the proprietor of the former mark. (Citing in part *Halsbury's Laws of England*, 3rd ed., vol. 38, para. 989, at p. 590.)

[37] The s. 16(3)(a) ground of opposition accordingly succeeds based on the Opponent's prior use of COREL for computer software, including but not limited to word processor software that includes typographical ornaments and character fonts.

Distinctiveness ground of opposition

[38] In order for the distinctiveness ground of opposition to succeed, the Opponent need only have shown that as of May 14, 2007 COREL had become known sufficiently to negate the distinctiveness of the Mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.)]. The Opponent has met this initial burden.

[39] Between December 3, 2003 and May 14, 2007, some changes did occur with respect to the s. 6(5) factors. In particular, the Applicant began to use its Mark. On October 16, 2008, Mr. Daniels attested that since early 2007, in excess of 4.5 million units of CORBEL software had been sold or distributed in Canada. Mr. Daniels also attested that the CORBEL software was released in approximately 2006, with test versions being distributed in 2005, but it is unclear if those statements relate to Canada (Mr. Daniels resides in the United States). Therefore, I shall treat "early 2007" as the more certain date of first use with respect to Canada.

[40] As Mr. Daniels has not clearly indicated what the extent of use of the Mark was in Canada prior to May 14, 2007, I am unable to assess the extent of reputation of the Applicant's Mark in Canada as of such date. Therefore, ultimately the differences between the evidence as of December 3, 2003 and May 14, 2007 are not significant with the result that my conclusion with respect to the distinctiveness ground is the same as that reached with respect to the s. 16(3)(a) ground. The Applicant has not met its legal burden and the distinctiveness ground of opposition therefore succeeds.

Section 12(1)(d) grounds of opposition

[41] In order for the Opponent's initial burden to be satisfied, the trade-mark registrations relied upon under s. 12(1)(d) must be extant as of today's date. Fifteen of the sixteen registrations are currently extant (registration No. TMA432,071 was expunged on April 1, 2010 for failure to renew). I consider the most relevant of the remaining registrations to be registration No. TMA328,630 for COREL, which covers, among other computer wares, computer software.

[42] The Applicant's position with respect to the likelihood of confusion is strongest under the s. 12(1)(d) grounds of opposition since, as of today's date, there is evidence that the COREL and CORBEL software have co-existed in the Canadian marketplace without any evidence of confusion. Between early 2007 and October 16, 2008, in excess of 4.5 million units of CORBEL software, either on its own or bundled, were sold or distributed in Canada. (Daniels affidavit, paragraph 11) An adverse inference concerning the likelihood of confusion may be drawn when concurrent use on the evidence is extensive and no evidence of confusion has been given by the opponent [*Christian Dior S.A. v. Dion Neckwear Ltd.* 2002, 20 C.P.R. (4th) 155 (F.C.A.) at para. 19]. However, as I have already refused the application under two grounds of opposition, I will not pursue the s. 12(1)(d) grounds any further.

Disposition

[43] For the reasons set out above, pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

Jill W. Bradbury
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office