



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

**Citation: 2014 TMOB 154
Date of Decision: 2014-05-20**

**IN THE MATTER OF AN OPPOSITION
by Canadian Direct Insurance
Incorporated to application No. 1,530,170
for the trade-mark AllWest Insurance
Direct in the name of AllWest Insurance
Services Ltd.**

[1] On May 27, 2011, AllWest Insurance Services Ltd. (the Applicant) filed an application to register the trade-mark AllWest Insurance Direct (the Mark) on the basis of its proposed use in association with:

Insurance brokerage services for vehicle, marine, residential, business, extended health and dental and life insurance products (the Services).

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of January 25, 2012.

[3] On June 20, 2012, Canadian Direct Insurance Incorporated (the Opponent) filed a statement of opposition pleading the grounds summarized below:

(a) the application does not comply with section 30(i) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) in view of section 31 of the *Financial Institutions Act*,

RSBC 1996, c-141. The use of the Mark would be in breach of section 31 since the term INSURANCE DIRECT implies that the Applicant is an insurance company, which it is not, in contravention of that section;

(b) the Mark is not registrable, pursuant to section 12(1)(d) of the Act, because it is confusing with the following registrations of the Opponent:

Registration No.	Trade-mark
TMA499,802	CANADIAN DIRECT INSURANCE
TMA493,462	CANADIAN DIRECT INSURANCE & Keypad Design
TMA554,966	CANADIAN DIRECT INSURANCEONLINE
TMA542,020	CANADIAN DIRECT LIFE INSURANCE

(c) the Applicant is not the person entitled to registration of the Mark, pursuant to sections 16(3)(a) and 16(3)(c) of the Act, because at the date of filing, the Mark was confusing with the Opponent's previously used trade-marks and trade-name CANADIAN DIRECT INSURANCE; and

(d) the Mark is not distinctive, pursuant to section 2 of the Act, having regard to the Opponent's trade-marks and trade-name.

[4] The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

[5] The Opponent did not file any evidence. The Applicant filed as its evidence the affidavits of Kellie Dale and Kirsten Lynn Severson.

[6] Only the Applicant filed a written argument. A hearing was not held.

Material Dates and Onus

[7] While various grounds of opposition are pleaded, the determinative issue for decision is whether the applied-for trade-mark AllWest Insurance Direct is confusing with the Opponent's trade-mark CANADIAN DIRECT INSURANCE. The earliest material date to assess the issue of confusion is the date the application was filed, May 27, 2011, while the latest material date is the date of my decision: for a review of material dates in opposition proceedings see *American Assn of Retired Persons v Canadian Assn of Retired Persons* (1998), 84 CPR (3d) 198 (FCTD) at 206-208 (FCTD).

[8] Before considering the issue of confusion between the parties' marks, it is necessary to review some of the technical requirements with regard to (i) the evidential burden on the opponent to support the allegations in the statement of opposition and (ii) the legal onus on the applicant to prove its case.

[9] With respect to (i) above, there is an evidential burden on the opponent to prove the facts in its allegations pleaded in the statement of opposition: *John Labatt Limited v Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) 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. With respect to (ii) above, the legal onus is on the applicant to show that the application does not contravene the provisions of the Act as alleged by the opponent (for those allegations for which the opponent has met its evidential burden). 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.

Grounds which Can be Summarily Dismissed

[10] The section 30(i) ground of opposition alleges that the Applicant's statement of its entitlement to use the Mark is false in view of the *Financial Institutions Act*, RSBC 1996, c-141. While the violation of federal legislation can be sufficient to support a ground of opposition based on section 30(i) of the Act, allegations of non-compliance with provincial/territorial

statutes are not an appropriate basis for a section 30(i) ground of opposition [*Dairy Farmers of Canada v Lander*, [2013] TMOB 178]. Therefore, the *Financial Institutions Act* cannot form the basis of a section 30(i) ground of opposition. Accordingly, this ground of opposition is rejected.

[11] The section 16(3)(a) and 16(3)(c) and 2 grounds are rejected because the Opponent has not met its initial burden. The Opponent has not evidenced that its trade-marks or trade-name were used, made known or had a reputation in Canada as of the applicable material dates. Although the Opponent's registrations for its trade-marks refer to use, that is not sufficient for the Opponent to meet its burden for these grounds of opposition [*Rooxs, Inc v Edit-SRL* (2002), 23 CPR (4th) 265 (TMOB) at 268].

Section 12(1)(d) Ground of Opposition

[12] The Opponent has pleaded that the Mark is not registrable under section 12(1)(d) of the Act as it is confusing with the Opponent's registered trade-marks set out in paragraph 3(b) of this decision. I find that the most pertinent of these is the Opponent's trade-mark CANADIAN DIRECT INSURANCE set out below. A consideration of the issue of confusion between this mark and the Mark will effectively decide the outcome of this opposition and so I will focus my analysis on it.

Registration No.	Trade-mark	Wares and Services
TMA499,802	CANADIAN DIRECT INSURANCE	Insurance underwriting, warranty underwriting, insurance administration and insurance adjusting.

[13] I have exercised my discretion and checked the register to confirm that this registration is extant. Therefore, the Opponent has met its initial burden with respect to this ground.

[14] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would likely lead to the inference that the wares and services associated with those trade-marks are manufactured, sold or leased by the same person, whether or not the wares and services are of the same general class. In making such an assessment I must

take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the wares and 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. In *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, [2006] 1 SCR 824 at para 20, the Supreme Court of Canada set out how the test is to be applied:

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 [mark] at a time when he or she has no more than an imperfect recollection of the [prior] 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.

The criteria in section 6(5) are not exhaustive and different weight will be given to each one in a context specific assessment [*Mattel, Inc v 3894207 Canada Inc*, [2006] 1 SCR 772 (SCC) at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

Inherent Distinctiveness

[15] The Applicant filed as part of its evidence an affidavit of Ms. Severson, a Registered Trade-mark Agent. Ms. Severson was contacted by the Applicant's agent to conduct a "how common" search with respect to the word "direct" for use in association with insurance services. As Exhibit F to her affidavit, she attaches print-outs from the web-site of The Canadian Association of Direct Response Insurers (www.cadri.com). On its web-site The Canadian Association of Direct Response Insurers (CADRI) states the following:

[CADRI] is a trade association representing insurance companies who offer automobile, home and commercial insurance products to Canadians on a direct basis

... CADRI members provide end-to-end services and are in direct relationships with their customers through all steps of the sales and service

process.

Insurers who operate under the Direct Relationship Model market and distribute their products and services to their customers directly and provide advice through their own exclusive teams of licensed insurance professionals.

[16] Ms. Severson's affidavit also attaches print-outs of various web-sites which reference Canada and where DIRECT is used descriptively: *www.certas.ca* ("Advantage of Shopping Direct"); *www.abc.ca* ("How to Find a Broker, Agent or Direct Writer"); and *www.tdinsurance.com* ("We've earned our place as the largest direct-response home and auto insurance group") (Exhibit E). Given Ms. Severson's evidence, I find that the Opponent's trade-mark does not have a high degree of inherent distinctiveness as it is comprised of elements which are highly suggestive of insurance services offered directly to consumers in Canada.

[17] In contrast, the Mark has a higher degree of inherent distinctiveness due to the coined word AllWest.

Degree of Resemblance Between the Trade-marks

[18] In considering the degree of resemblance, the Supreme Court of Canada in *Masterpiece*, *supra* sets out that resemblance is defined as the quality of being either like or similar (para 62) and that the approach to assessing resemblance should involve a consideration of whether there is an aspect of a trade-mark that is particularly striking or unique (para 64). In this case, there is nothing striking or unique about the words DIRECT and INSURANCE given that the parties both offer insurance services. Therefore, I find that there is at most only a slight degree of resemblance between the marks in appearance or sound.

[19] Furthermore, I find that the trade-marks suggest slightly different ideas. The CANADIAN DIRECT INSURANCE trade-mark suggests insurance services offered directly to Canadians or in Canada. The AllWest Insurance Direct trade-mark suggests direct insurance services offered exclusively in the west.

[20] Given the differences in appearance, sound and ideas suggested between AllWest Insurance Direct and CANADIAN DIRECT INSURANCE when considered as a whole, as a

matter of first impression, the marks cannot be said to be similar. In *Masterpiece*, Rothstein J. stated at para 49 that:

... if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar...

Extent Known and Length of Time in Use

[21] While the Opponent's registrations are based on use, this only entitles me to assume de minimis use [*Entre Computer Centers Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB) at 430]. De minimis use does not support a conclusion that the marks have become known to any significant extent, nor that the marks have necessarily been used continuously.

[22] The Applicant's affiant, Ms. Dale, is the Vice President, General Manager of the Applicant. She states that the Applicant intends to offer distinctive insurance brokerage services in association with the Mark.

[23] As such this factor slightly favours the Opponent.

Nature of the Services

[24] This factor favours the Opponent as the services described in the Mark and in the Opponent's registration overlap.

Evidence of Third Party Use of Direct

[25] Exhibit C to Ms. Severson's affidavit sets out the particulars of various trade-mark registrations including DIRECT owned by a number of different parties. Well over twenty of the trade-mark registrations include DIRECT as a dominant element and are for use in association with insurance services such as BROKER DIRECT (TMA547,597), COMMERCIAL DIRECT (TMA542,842), DIRECT LINE (TMA547,664), BARON DIRECT (TMA529,189), HSBC DIRECT (TMA652,447), ING DIRECT & LION Design (TMA514,583), INSURANCE DIRECT (TMA486,446), BELAIR DIRECT (TMA497,967), SENIORS DIRECT (TMA436,648) and RV DIRECT (TMA798,114). Ms. Severson's affidavit also attaches print-

outs of various web-sites which reference Canada and where DIRECT appears as part of a trade-mark or trade-name or is used descriptively including: *www.belairdirect.com*; *www.rvdirectinsurance.com* and *www.plandirect.com* (Exhibit E).

[26] Based on the state of the register and evidence of use in the affidavit of Ms. Severson, I am prepared to infer that DIRECT is commonly used as a trade-mark component in the parties' field of interest and customers are accustomed to seeing this component. The fact that DIRECT is a common element means that consumers will pay more attention to the other component of each parties' trade-mark which reduces the likelihood of confusion [*Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 CPR (3d) 349 (FCTD) at 359-361; *RPM, A Partnership v American Bilrite Intellectual Properties*; (2011), 92 CPR (4th) 329 (TMOB) at para 45].

Conclusion

[34] I conclude that, on a balance of probabilities, given all the surrounding circumstances there is not a reasonable likelihood of confusion. The differences between the marks are sufficient to make confusion unlikely. This ground of opposition is therefore rejected.

Disposition

[27] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

Natalie de Paulsen
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office