



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

Citation: 2017 TMOB 26
Date of Decision: 2017-02-28

IN THE MATTER OF AN OPPOSITION

Bell Mobility Inc. **Opponent**

and

Validas LLC **Applicant**

1,569,828 for MYPEEPS **Application**

[1] Bell Mobility Inc. (the Opponent) opposes registration of the trade-mark MYPEEPS (the Mark) that is the subject of application No. 1,569,828.

[2] The application was filed by Validas LLC (the Applicant) and is based on two basis, namely (i) use of the Mark in Canada since at least as early as February 23, 2011 in association with the following goods and services:

Goods: Computer application software for mobile phones, namely, software to enable users to control calling habits by automatically choosing the best third party telecommunications frequent caller plan by automatically updating the frequent called list for you with your carrier so as to minimize telecommunications charges.

Services: Telecommunications data analysis services, namely analyzing a person's frequent caller lists to automatically set up lists which aim to minimize the cost of mobile telephony services and to allow parental control of calls.

(Sometimes collectively referred to as the Goods and Services);

and (ii) use and registration of the Mark in the United States of America in association with the Goods.

[3] The opposition was brought by the Opponent under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). As discussed in more detail below, the central issue in this proceeding is whether the application complies with section 30(b) of the Act. More particularly, whether the Applicant has used the Mark in Canada in association with the Goods and Services since the date of first use claimed in the application.

[4] For the reasons that follow, the opposition partially succeeds.

The Record

[5] The application was filed on March 21, 2012 and advertised for opposition purposes in the *Trade-marks Journal* of December 5, 2012. The Opponent opposed the application by filing a statement of opposition on February 6, 2013. The Applicant filed and served a counter statement on February 25, 2013 denying each of the grounds of opposition set out in the statement of opposition.

[6] In support of its opposition, the Opponent filed an affidavit of Andrew Bridge, Manager Director of Virgin Mobile Canada, a division of the Opponent, sworn June 19, 2013 (the Bridge affidavit). Mr. Bridge was cross-examined on his affidavit and the transcript of his cross-examination and answers to undertakings form part of the record.

[7] In support of its application, the Applicant filed an affidavit of its President and Co-Founder, Todd Dunphy, sworn July 9, 2014 (the Dunphy affidavit). Mr. Dunphy was cross-examined on his affidavit and the transcript of his cross-examination and answers to undertakings form part of the record.

[8] The statement of opposition was subsequently amended by the Opponent essentially to correct certain clerical errors, with leave of the Registrar granted on November 13, 2014.

[9] Both parties filed written arguments and attended a hearing.

[10] At the outset of the hearing, the Opponent indicated that it was withdrawing all of the grounds of opposition other than those set out in paragraphs 4.1, 4.2 and 4.3 of its amended statement of opposition, which read as follows:

4. The Opponent bases its opposition on the grounds set forth in [s]ection 38(2)(a) of the Act, in that the [a]pplication does not comply with the requirements of [s]ection 30 of the Act:

4.1 in that the Applicant never used, as alleged in the opposed [a]pplication, the [Mark] in association with each of the [Goods and Services] and the date of first use, as alleged in the opposed [a]pplication, is false;

4.2 in that the trade-mark allegedly used is not in use;

4.3 alternatively or cumulatively, the use (which is denied) of the [Mark] in association with each of the [Goods and Services] has not been continuous.

[11] I confirmed to the Opponent that I considered the language used in these paragraphs to be in line with a ground of opposition based on section 30(b) of the Act, to which the Opponent agreed. I further note that the portion of the Opponent's written argument pertaining to the above pleading specifically alleges non-compliance with section 30(b) of the Act.

[12] Accordingly, I will not discuss further in my decision those portions of the evidence or written argument pertaining to the grounds of opposition that were voluntarily withdrawn by the Opponent.

The parties' respective burden or 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 evidentiary 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 [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); and *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].

Ground of opposition based on non-compliance with section 30(b) of the Act

[14] The relevant date for considering a section 30(b) ground of opposition is the filing date of the Applicant's application [see *Georgia-Pacific Corporation v Scott Paper Ltd* (1984), 3 CPR

(3d) 469 at 475 (TMOB)]. In this regard, section 30(b) of the Act requires that there be continuous use of the Mark since the date claimed [see *Labatt Brewing Co v Benson & Hedges (Canada) Ltd* (1996), 67 CPR (3d) 258 (FCTD)].

[15] To the extent that the relevant facts pertaining to a ground of opposition based on section 30(b) of the Act are more readily available to the Applicant, the evidentiary burden on the Opponent with respect to such a ground of opposition is less onerous [see *Tune Master v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB)]. Furthermore, this burden can be met by reference not only to the Opponent's evidence but also to the Applicant's evidence [see *Labatt Brewing Company Limited v Molson Breweries, a Partnership* (1996), 68 CPR (3d) (FCTD) 216]. However, the Opponent may only successfully rely upon the Applicant's evidence to meet its initial burden if the Opponent shows that the Applicant's evidence puts into issue the claims set forth in the Applicant's application [see *Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd* 2014 FC 323 at paras 30-38 (CanLII)].

[16] In the present case, the Opponent is relying upon the evidence which has been filed by Mr. Bridge, as well as by the Applicant itself through the Dunphy affidavit.

[17] Considering first the Bridge affidavit, the Opponent submits that this evidence is sufficient to discharge the Opponent's light evidentiary for two main reasons:

- because it indicates that the Applicant's Goods and Services analyse only the frequent caller plans of American wireless carriers. The Applicant's MYPEEPS mobile application does not extend to analyzing data from Canadian carriers of mobile telephony services; and
- because it shows that although the Applicant's MYPEEPS mobile application can be downloaded in Canada, the user must subscribe to a U.S. carrier plan to complete the installation and use the Applicant's MYPEEPS mobile application.

[18] More particularly, the Opponent relies on the following circumstances set out in the Bridge affidavit:

- On February 25, 2011, it was indicated on the Applicant's website under the section

entitled “Supported Carriers” that the Applicant’s Goods and Services were available to wireless subscribers of the following wireless carriers: AT&T, Sprint, Nextel, T-Mobile and Verizon Wireless. Such wireless carriers all operate and offer wireless services in the U.S.A. (hereinafter collectively referred to as the “American Wireless Carriers”).

(February 25, 2011 is the earliest date available from the archive services known under the name *Wayback Machine Internet Archive* for <http://validas.com> following the alleged date of first use in Canada of February 23, 2011 [Bridge affidavit, para 6; Exhibit AB-2]);

- On April 5, 2012, it was indicated on the Applicant’s website that the MYPEEPS Goods and Services were available for purchase on the App Store which belongs to Apple Inc. [Bridge affidavit, para 13; Exhibit AB-3];
- On April 5, 2012 and June 17, 2013, it was indicated on the Canadian App Store website that as of May 2, 2011, the user must be a customer of either AT&T or Verizon Wireless to use the Applicant’s MYPEEPS software application [Bridge affidavit, para 14; Exhibit AB-4]; and
- On June 17, 2013, Mr. Bridge downloaded the Applicant’s MYPEEPS software application on his mobile device from the Canadian App Store and to complete the installation he was prompted to select either AT&T or Verizon as a wireless carrier. As he was not a subscriber of either wireless carrier he was not able to complete the installation and use the software application [Bridge affidavit, para 21].

[19] The Opponent further submits that the Bridge affidavit clearly demonstrates that the Mark has not been continuously used in Canada in association with the Goods since the claimed date of first use, in that:

- On June 17, 2013, there was no use or reference of the Mark on the Applicant’s website at www.validas.com since the Applicant’s website had been substantially modified and rebranded. The Applicant’s modified and rebranded website now advertises two services branded “Save.Love.Give™ for consumers” and “Vera™ for Business” [Bridge affidavit, para 17; Exhibit AB-5];
- On June 17, 2013, when clicking on the “MyPeeps Support” icon found on the Canadian App Store website, Mr. Bridge was directed to the Applicant’s modified and rebranded website at www.validas.com, where there was no use or reference of the Mark

[Bridge affidavit, para 18; Exhibit AB-5]; and

- On June 17, 2013, when clicking on the “Validas Web Site” icon found on the Canadian App Store website, Mr. Bridge was directed to a website branded “Save, Love, Give” at *www.savelovegive.com* where there was no reference or use of the Mark by the Applicant on the website. The registrant of the domain name *www.savelovegive.com* is the Applicant [Bridge affidavit, para 19; Exhibit AB-6].

[20] The Opponent goes on and comments on the Applicant’s evidence filed through the Dunphy affidavit.

[21] For the ease of discussion, I will briefly go over the Dunphy affidavit and then return to the Opponent’s submissions.

The Dunphy affidavit

[22] Mr. Dunphy first provides a history of the business of the Applicant. He states that the Applicant is a Delaware corporation operating in Missouri City, Texas. It specializes in the development of mobile bill processing technology [para 3 of the affidavit; Exhibit A].

[23] At paragraphs 5 and 6 of his affidavit, Mr. Dunphy states that:

In 2010, [he] personally created a software application for use on iPhones, iPads and Android apparatus. This software application can be downloaded over the internet from anywhere in the world, including Canada. The software provides the services via iPhone, iPads and Android apparatus of automatically setting up groups of those called to permit users to receive the preferred rates of the cell phone provider. [The Applicant] commenced marketing this software application in 2011 worldwide, including Canada, in association with the [Mark].

The MYPEEPS software application permits users to set up their friends and family numbers automatically. Subscribers to the AT&T, Verizon, and other such well known U.S. based wireless carrier networks can download the MYPEEPS application onto their cell phones and employ same anywhere in the world, including Canada. In the case of AT&T, it is referred to as the A-List, and in the case of Verizon it is known as Friends and Family. The A-List and Friends and Family results are based on the telephone numbers customers actually call most frequently during peak hours, thus minimizing the “Anytime” minutes they use. In this way consumers using the MYPEEPS software application services save significant sums on their bills.

[24] Mr. Dunphy goes on and states at paragraphs 7 and 8 of his affidavit that:

Cell phone users living in Canada along the Canadian border are able to access AT&T, Verizon, and other cell phone providers, or use these cell phone providers when they are in the United States.

Individual customers are able to download the software application under the [Mark] onto their device in Canada from [the Applicant's] website at *http.validas.com*, from the Apple App Store, or if an Android user from the Android Marketplace.

[25] Mr. Dunphy further states at paragraph 15 of his affidavit that:

Subscribers to an American wireless carrier would also be using spectrum from local Canadian carriers and most likely be charged international roaming rates.

[26] In support of the foregoing, Mr. Dunphy provides the links to various third party websites which have allegedly featured the MYPEEPS software application. As he has not attached to his affidavit the web pages in question little can be drawn from the mere existence of these links.

Mr. Dunphy also attaches to his affidavit the following exhibits which he describes as follows:

- Exhibit B: a receipt dated February 23, 2011 evidencing a sale to Terry Goldsworthy of Cambridge, Ontario of the Applicant's software application under the MYPEEPS Mark; and
- Exhibit C: a spreadsheet illustrating the purchase and downloading of the MYPEEPS software application in Canada and the purchase in Canadian dollars and downloading of copies within the time frames for these transactions, as well as purchases in other countries.

More particularly, Mr. Dunphy highlights six entries purporting to evidence Canadian transactions made during the year 2011. He further states that "An even greater number of Canadian transactions occurred in each of 2012 and 2013."

During his cross-examination, Mr. Dunphy indicated that this spreadsheet comes from the App Stores. He also explained that the MYPEEPS mobile application started as a paid application and then became a free application [transcript, pages 13-17].

[27] Mr. Dunphy also comments on the Bridge affidavit. He notes that Mr. Bridge seems to argue that the Applicant is not able to employ its MYPEEPS Mark in Canada because American Wireless Carriers are not permitted to offer services in Canada. Mr. Dunphy opines that “this position does not recognize the role and impact of technology as it occurs in the real world.” He goes on and states the following in paragraphs 18 and 20 of his affidavit:

Canadian consumers obviously have access to the internet and can download [the Applicant’s] MYPEEPS application in Canada from the Apple App Store or the other sources mentioned above. In doing so, Canadians do not even require cell phone service in Canada. Such individuals can employ the internet function on their iPhone, iPad, or Android device to connect to their carrier and when he or she again re-establishes connection to a cell phone of his or her carrier on travel they will receive the results of the MYPEEPS feature. Further, cell phone waves do not know national boundaries and waves from the U.S. cross the Canadian border permitting Canadians to use U.S. carriers which thus permits full use in Canada of our software and services on a regular basis.

[...] In response to Mr. Bridges [*sic*] comments in paragraphs 21 and 22 [re Mr. Bridge’s attempt to install the Applicant’s MYPEEPS software application on his mobile device on June 17, 2013], I believe he is incorrect in that if he was a subscriber to either of the two U.S. carriers, and attempted to download the MYPEEPS application in Canada, he would have been successful and able to employ it in Canada. This in no way is in contravention of any Canadian legal or regulatory prohibition.

The Opponent’s submissions with respect to the Dunphy affidavit

[28] The Opponent points out that the very same piece of evidence is relied on by the Applicant to support its claimed date of first use of the Mark in Canada in respect of both of its Goods and Services, namely Exhibit B [receipt dated February 23, 2011 evidencing a sale to Terry Goldsworthy of the Applicant’s MYPEEPS software application].

[29] The Opponent submits that this piece of evidence cannot serve to establish at the same time use of the Mark with both Goods and Services. It further submits that this transaction was not made in the normal course of trade within the meaning of section 4 of the Act. It points out that during his cross-examination, Mr. Dunphy confirmed that Mr. Goldsworthy was associated to the Applicant as a “contractor” on February 23, 2011 [transcript of cross-examination of Mr. Dunphy, page 7, lines 1-15]. The Opponent submits that it is therefore questionable as to whether Mr. Goldsworthy downloaded the Applicant’s MYPEEPS mobile application in the normal course of business for his *bona fide* personal usage. The Opponent submits in this regard

that there would be no point in having a U.S. carrier phone plan for Canadians staying in Canada or while they are in Canada. Rather, the Opponent submits that Mr. Goldsworthy made this purchase after being asked by the Applicant for the purposes of establishing a date of first use of the Mark in Canada. The Opponent stresses that it was not possible for it to cross-examine Mr. Goldsworthy in order to elucidate the circumstances surrounding this purchase as the sale receipt was produced by Mr. Dunphy. The Opponent further submits that as this sale receipt was issued by a third party (namely Apple Canada, Inc.), it constitutes inadmissible hearsay.

[30] Commenting on more particularly the Applicant's alleged use of the Mark in association with the Services in Canada, the Opponent points out that the Applicant has never had a registered place of business in Canada [transcript of cross-examination of Mr. Dunphy, page 5, lines 22-24]. The Opponent further submits that the evidence clearly establishes that the Services were only performed in the United States in that the Applicant's telecommunication data analysis services analyse only U.S. carrier bills, not Canadian carrier bills [transcript of cross-examination of Mr. Dunphy, page 10, lines 10-21, page 23, lines 3-24, page 24, lines 11-13, page 25, lines 1-2]. The Opponent submits that the Services are clearly not targeted to the Canadian market as the Applicant's customers must subscribe to a U.S. carrier plan to use the Applicant's MYPEEPS mobile application. The Opponent submits that Canadian customers would need to leave Canada in order to benefit from the Applicant's MYPEEPS mobile application as those services would only be useful for customers who make phone calls on a mobile phone operated by a U.S. carrier. There would be no point in having a U.S. carrier phone plan for Canadians staying in Canada or while they are in Canada.

[31] The Opponent draws a parallel between the present case and the one in *Fetherstonhaugh & Co v Supershuttle, Inc.*, 2014 TMOB 155, affirmed 2015 FC 1259, in which the Registrar held that where a trade-mark is associated with advertising in Canada for services that can only be benefitted from outside Canada, proper use of the trade-mark has not been shown:

[14] Generally, advertising in Canada alone is insufficient to demonstrate use with respect to services; at the very least, the services have to be available to be performed in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)]. In *Marineland Inc v Marine Wonderland and Animal Park Ltd* (1974), 16 CPR (2d) 97 (FCTD), the Federal Court reasoned that where performance of services offered by a trade-mark owner, by necessity, could only be completed by travelling abroad, the sale of

admission vouchers in Canada could not be considered performance of services in Canada. Similarly, in *Motel 6 Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD) and *Porter v Don the Beachcomber* (1966), 48 CPR 280 (Ex Ct), it was held that where a trade-mark is associated with advertising in Canada for services that can only be benefitted from outside of Canada, proper use of the trade-mark has not been shown.

[15] In this case, the Registrant clearly does not operate its airport shuttle vans in Canada. [...]

[32] In this case, the Registrant appears to be conflating the promotion of its ground transportation services with actual performance of such services. There is evidence that the Mark is well known in Canada. However, the advertisement of one's services on a website or through travel agencies does not constitute performance of such services. While promotion of the SUPERSHUTTLE transportation service may occur in Canada, it is not use of the Mark in Canada with respect to the registered services unless the Registrant performs or is prepared to perform such services in Canada. In this case, it is clear that the ground transportation services of the Registrant are performed in the US and Europe, not in Canada.

[...]

[34] Maintaining the registration in this case would give the Registrant an overly broad scope of protection over services that it does not actually perform in Canada. Where a trade-mark owner performs services in another jurisdiction and wishes to obtain and maintain a registration in Canada in association with the same Mark and same services, it should generally mirror the performance of those services in Canada; merely casting the shadow of those services is insufficient.

[Underlining added by the Opponent]

[32] The Opponent also draws a parallel between the present case and the one in *Express File Inc v HRB Royalty Inc* (2005) FC 542, 39 CPR (4th) 59, affirming (2003) 25 CPR (4th) 94 (TMOB), affirming (2003) 21 CPR (4th) 274 (TMOB), in which the Federal Court concluded that the trade-mark EXPRESS FILE had not been used in Canada in association with “electronic filing of tax returns” as those services were only performed in the U.S.A.:

[23] [...] it is well recognized that the use of a trade-mark in relation with a service must be decided on a case-by-case basis [...].

[24] [...] the EXPRESS FILE service was made available to customers through U.S. bank or credit unions. No institution in Canada was involved. During the relevant years, nor was the EXPRESS FILE service offered to file Canadian tax returns.

[...]

[26] [...] the President of EXPRESS FILE Inc., stated that it is possible that banks and credit unions close to the Canadian border could have Canadian clients. He therefore testified that promotional materials were sent to Canadians living in Canada because bank and credit unions mailed the information to all of their depositors, including Canadians. He explained, however, that it was impossible for him to provide a percentage of promotional advertising costs attributed to promoting in Canada as banks and credit unions were the ones responsible for the promotion.

[27] [...] a former manager of the M & T Bank deposed that the Bank encouraged customers to use the EXPRESS FILE services. In order to do so, it mailed out information to the Bank's customers, including customers located in Canada. He indicated that the EXPRESS FILE service was advertised on several occasions.

[28] Canadian clients who frequented U.S banks or U.S credit unions were exposed to the EXPRESS FILE promotional materials and were entitled to use this service for making tax filings with the IRS. Customers were invited to either bring their completed tax filing kit back to the bank or to mail the kits directly to the bank's office. He indicated that it never had a processing centre in Canada nor was there an office in Canada.

[29] In order for Canadians to use the EXPRESS FILE service, they must have used a U.S. return mailing address when filing electronically as the EXPRESS FILE software system could not recognize alphanumeric digits. They absolutely needed a U.S. postal code. Mr. Porter could not provide a percentage of Canadians using the EXPRESS FILE service because Canadian customers needed to use a U.S. address. It was also demonstrated that the 1-800 number was available from Canada in the event that Canadian customers needed help filing the EXPRESS FILE kit.

[...]

[34] [...] Moreover, even if this product had been advertised in Canada, this service was not offered in Canada. In order to use the applicant's EXPRESS FILE service, a Canadian needed not only to fill out the kit but also to drop the EXPRESS FILE kit at his or her U.S. bank or mail it back to it.

[Underlining added by the Opponent]

[33] Commenting on more particularly the Applicant's alleged use of the Mark in association with the Goods in Canada, the Opponent points out that the only evidence (other than Exhibit B discussed above) of alleged use of the Mark in association with the Goods is Exhibit C [spreadsheet]. The Opponent submits that this evidence has no value as it is hearsay as it comes from a third party, Apple Inc. The Opponent further submits that the Dunphy affidavit lists only six entries purporting to illustrate the purchase and downloading of the Applicant's MYPEEPS mobile application in Canada without providing the details as to the identity of the persons

having made these purchases.

[34] The Opponent also submits that the mere fact that the Applicant's MYPEEPS mobile application can be downloaded in Canada does not establish use of the Mark in this country. Again, the Opponent stresses that the Applicant's MYPEEPS software application is targeted to U.S. citizens having subscribed to U.S. carrier plans and that it only analyzes bills of these U.S. carriers [transcript of cross-examination of Mr. Dunphy, page 24, lines 11-13]. It points out that during his cross-examination, Mr. Dunphy confirmed that the Applicant's MYPEEPS software application never worked for the purpose of analyzing frequent caller plans of Canadian carriers and that the software application cannot analyze bills of any Canadian carriers [transcript of cross-examination of Mr. Dunphy, page 10, lines 10-21, page 25, lines 1-2].

[35] The Opponent submits that it clearly appears from the above evidence that the Applicant's MYPEEPS mobile application is not targeted to Canadian citizens, as these Canadian citizens would need to subscribe to U.S. carrier plans to use the Applicant's MYPEEPS mobile application. It further submits that it clearly appears from the evidence that the Applicant's MYPEEPS mobile application is not targeted to the Canadian market, as the Applicant's MYPEEPS mobile application analyzes data from U.S. carriers, and it would make no sense for Canadians to use their U.S. carrier plans in Canada. Any telephone calls in Canada would be telephone long distance calls for these Canadians using their U.S. carrier plans in Canada. This would defeat the purpose of the Applicant's mobile application that is to minimize telecommunications charges. Canadians customers would need to leave Canada in order to benefit from the Applicant's mobile application. Again, the Opponent stresses that there would be no point in having a U.S. carrier phone plan for Canadians staying in Canada or while they are in Canada.

[36] In this regard, the Opponent recalls that Mr. Dunphy confirmed during his cross-examination that there would be "three ways" Canadians "could use" the Applicant's MYPEEPS software application, namely:

- if they live close to the U.S. border;
- by downloading the application in Canada and travelling to the U.S. with a cell phone contract with a U.S. carrier; and

- by downloading the application in the U.S., and travelling to Canada and use their cell phone in “roaming”.

[Transcript of cross-examination of Mr. Dunphy, pages 10-11]

[37] The Opponent submits that this clearly confirms that the Applicant’s software application is targeted to the U.S. market and aimed to be used in the U.S.

[38] Returning to the sale receipt under Exhibit B to the Dunphy affidavit, the Opponent submits that the Registrar cannot conclude that the Mark has been used in Canada in association with the Goods from the mere fact that Mr. Goldsworthy has downloaded the Applicant’s MYPEEPS mobile application on February 23, 2011. The Opponent submits that the Registrar can take judicial notice of the fact that there are many hundreds of mobile applications available on the App Store and the Android Market that can be downloaded anywhere in the world, including Canada.

[39] In the same manner as the Court in the decision *Unicast SA v South Asian Broadcasting Corporation Inc*, 2014 FC 295, has indicated that the mere fact that a trade-mark appears on a computer screen through the internet, notwithstanding the origin of the trade-mark, does not suffice to prove that the trade-mark has been “used” in Canada within the meaning of the Act, the Opponent submits that the mere fact that a trade-mark appears on a mobile application which can be downloaded in Canada does not suffice to prove that the trade-mark has been “used” in Canada within the meaning of the Act when the mobile application has nothing to do with Canada.

[40] To use the language of the Court in the *Unicast* decision, the Opponent submits that to conclude that marks displayed on any mobile applications that can be downloaded in Canada are “used” in Canada is association with goods even if these mobile applications are not targeted to Canadians and have nothing to do with Canada would “lead to some twisted and unfortunate consequences none of which could have been Parliament’s intent in drafting the Act.” To illustrate those consequences, the Court indicated that it would be illogical and impossible to take this approach as this would mean that any foreign trade-mark owner could request and obtain the expungement of a *bona fide* Canadian trade-mark based on previous use through the Web even if this foreign trade-mark owner had basically nothing to do with Canada and no

physical presence in Canada:

[47] To go against this logical interpretation of the law would lead to some twisted and unfortunate consequences none of which could have been Parliament's intent in drafting the Act. For example, should we follow the Applicant's point of view, any foreign trade-mark holder could request and obtain the expungement of a bona fide Canadian trade-mark based on previous use through the Web even if this foreign trade-mark owner had basically nothing to do with Canada and no physical presence in the country. How could it be logical to interpret the applicable legal scheme as putting every single Canadian trade-mark owner at risk of having its trade-mark taken away by another trade-mark that has no nexus to Canada? Should Canadian companies be expected to protect themselves from every company around the world which has a website that is accessible in Canada? Could this even be possible to achieve? It would be illogical and impossible to take this approach.

[48] What is more, the Respondent quite rightly submits that this situation would be unthinkable should the roles in these proceedings be reversed. Would a Canadian trade-mark owner have the right to request from a foreign trade-mark owner that they stop using their trade-mark if this foreign owner's presence in Canada is limited to the Internet? In particular, should this Court uphold the RED FM trade-mark as valid, could the Respondent then request from the Applicant that it stops streaming its programming online because one of the listeners could potentially be Canadian? Again, this suggestion is preposterous. The notion of performing the services is essential.

[49] Therefore, the Applicant shall have to prove having used its trade-mark with respect to services actually provided to Canadians or performed in Canada.

[Underlining added by the Opponent]

[41] Having regard to all the foregoing, the Opponent submits that it has discharged its initial evidentiary burden to demonstrate, through the evidence, including the Bridge affidavit and the cross-examination of Mr. Dunphy, that it could reasonably be concluded that the Mark had not been used in Canada in association with the Goods and Services as claimed in the application as of the material date of March 21, 2012.

The Applicant's submissions

[42] The Applicant first stresses that its burden to show continuous use of the Mark in Canada is from the date of first use claimed in the application until the date of filing of the application, which in this case amounts to a year or so. The Applicant submits that this is a very short period of time and that much of the evidence submitted by the Opponent purporting to put into issue the

continuous use of the Mark ought to be disregarded as it postdates the date of filing of the application.

[43] In any event, the Applicant submits that far from contradicting the continuous use of the Mark in Canada, the evidence introduced through the Bridge affidavit actually confirms that the Applicant's Goods and Services were advertised on the Applicant's website back on February 25, 2011 [which date practically matches the claimed date of first use of February 23, 2011] [see Exhibit AB-2] and that more than two years after the date of filing of the application, the Applicant's software application could still be downloaded from the Canadian App Store [see para 21 of the Bridge affidavit describing Mr. Bridge's attempt to install the Applicant's software application on his mobile device on June 17, 2013].

[44] The Applicant further submits that the mere fact that Mr. Goldsworthy was a contractor of the Applicant at the time he purchased the Applicant's software application is not sufficient to suggest that the sale receipt under Exhibit B does not represent a genuine transaction in the normal course of trade. The Applicant submits that Mr. Goldsworthy was not in a fiduciary relationship or under any obligation to the Applicant.

[45] The Applicant further stresses that the present application is not for "domestic wireless services" but for a software application for mobile phones and telecommunication data analysis services. It submits that it is the Applicant's mobile application, once downloaded, that performs the data analysis services, not the American Wireless Carriers. This in no way is in contravention of any Canadian legal or regulatory prohibition.

[46] The Applicant does not deny that customers need to be subscribers of U.S. based wireless carrier networks to download the MYPEEPS software application onto their cell phones and employ same. However, it submits that the Registrar can take judicial notice of the fact that Canadian "snowbirds" travel to the U.S. These snowbirds can use the Applicant's software application to call people in the U.S. and Canada while they are in the U.S., and continue to use same when in Canada.

[47] In this regard, the Applicant stresses that if Mr. Bridge had been a subscriber of either of the two U.S. carriers namely AT&T and Verizon, he would have been able to download the

MYPEEPS software application in Canada and employ it in Canada. It points out that during his cross-examination, Mr. Bridge confirmed that he was not an expert in the area of telecommunication law and was unable to answer a number of questions regarding the Applicant's ability to effect use of its trade-mark in Canada. Furthermore, Mr. Bridge refused to answer any question regarding interconnect agreements which might have enabled the Applicant to provide its Services in Canada [transcript of cross-examination of Mr. Bridge, pages 65-94].

[48] The Applicant further submits that it has provided a complete rebuttal to the Opponent's arguments in the Dunphy affidavit and no reply evidence was filed to counteract his critique. In particular, the Applicant stresses that Mr. Dunphy has explained that in view of modern technology as it occurs in the real world, Canadian consumers can access the Internet and download the Applicant's MYPEEPS software application in Canada from the Apple App Store and other sources described in his affidavit. In order to do so, Canadians do not even require cellphone services in Canada. Such individuals can employ the internet function on their iPhone, iPad, or Android device to connect to their carrier and receive the results of the MYPEEPS feature when they again re-establish connection to a cell phone of their carrier on travel. Further, Mr. Dunphy indicated in his affidavit that cell phone waves know no boundaries and waves from the U.S. cross the Canadian border permitting Canadians to use U.S. carriers hence permitting full use in Canada of the Applicant's Goods and Services on a regular basis.

[49] In response to the Opponent's argument that there would be no point in having a U.S. carrier phone plan for Canadians staying in Canada or while they are in Canada as roaming charges would apply and defeat the purpose of the Applicant's mobile application, the Applicant submits that this is not supported by evidence.

[50] The Applicant further submits that there would be no point in having the Applicant's MYPEEPS software application advertised on the Canadian App Store if it was not targeted to Canadians.

[51] Commenting on the case law cited by the Opponent, the Applicant submits that contrary to the situation in *Unicast* where there was no way of knowing whether a user who hit the applicant's website really listened to the applicant's radio station live streaming in Canada, customers of the Applicant's Goods and Services must actively go to the App Store or Android

Market and download the MYPEEPS software application. This is not a passive activity.

[52] The Applicant also submits that contrary to the situation in *Express File*, no U.S. postal code is needed in the present case. Furthermore, even if customers of the Applicant's Goods and Services had to have a U.S. address, they could still use the Applicant's Goods and Services in Canada. The Applicant submits that the present situation differs from the one in *Supershuttle* in that the Applicant in this case has not only advertised its Goods and Services in Canada but also shown actual use of same in Canada. The Applicant relies in this regard on Exhibit C [spreadsheet] to the Dunphy affidavit and responses to undertakings U-3 and U-7 that specify the lines in the exhibit which relate to Canadian transactions and reflect downloads from Canada.

[53] In response to the Opponent's argument that this spreadsheet constitutes inadmissible hearsay, the Applicant submits that it would be unrealistic to ask Apple Inc. to provide an affidavit for the sole purpose of providing a copy of such spreadsheet. It further submits that this spreadsheet is not of the nature of a contentious document providing detailed analysis. Likewise, the Applicant submits that the same reasoning applies to the sale receipt under Exhibit B.

Analysis

Use with respect to the Services

[54] As explained by Mr. Dunphy in his affidavit, and as stressed by the Applicant at the hearing, it is the MYPEEPS software application that provides the data analysis services via iPhone, iPad and Android apparatus of automatically setting up groups of those called to permit users to receive the preferred rates of the cell phone provider.

[55] Notably, the Services are nowhere referred to in the evidence as being offered independently from the MYPEEPS software application. None of the exhibits attached to either the Bridge affidavit or the Dunphy affidavit refer to the Services being offered by the Applicant separately from the MYPEEPS software application. To the contrary, the only reference to the Services is for describing the purpose of the Applicant's MYPEEPS software application. Simply put, the Applicant is not performing or offering the Services *per se* in association with the Mark. Rather, the Applicant is using the Mark in association with the Goods (as discussed

below), and those goods analyse the telecommunication data.

[56] As a result, I find that the Applicant has not met its legal onus to show that the Mark had been used in Canada in association with the Services since the date claimed in the application as of the material date of March 21, 2012.

[57] Accordingly, the section 30(b) ground of opposition succeeds with respect to the Services.

Use with respect to the Goods

[58] As a preliminary matter, as the evidence refers to the Applicant's MYPEEPS software application being used through "roaming" in Canada (contrary to the Applicant's submission at the hearing), I will address what constitutes "roaming".

[59] As per my review of Mr. Dunphy's testimony, it is the Applicant itself who makes reference to the Applicant's MYPEEPS software application being used through "roaming" in Canada without expressly defining such term [see Dunphy affidavit, para 15 reproduced above; and transcript of cross-examination of Mr. Dunphy, pages 10-11, passage reproduced above]. Furthermore, as stressed to the Applicant at the hearing, I may refer to dictionaries to determine the meaning of a word. In this regard, I note the following definitions of the term "roam"/"roaming":

- Roam: [...] 4. *intr.* (of a cellphone user) move from one geographic area to another without losing phone service. *Oxford Canadian Dictionary, Second Edition*
- Roam: [...] 3. to use a cellular phone outside one's local calling area – *roaming charges*. *Merriam-Webster*
- Roaming: A facility which may be offered by public access services whereby subscribers to a certain service are able to make and/or receive calls to/from facilities belonging to another service provider.
- Travelling with your wireless phone outside your local calling area is called "roaming" ... your wireless phone will always let you know when you're roaming-either an indicator will light up or the word "ROAM" will display on your phone's screen. *TERMIUM Plus* (Government of Canada's terminology and linguistic database, Translation Bureau).

[60] Bearing in mind these definitions, I agree with the Opponent that it is apparent that the

primary market for the Applicant's MYPEEPS software application is not Canada. However, the fact remains that it can be downloaded and used in Canada.

[61] Indeed, although Mr. Bridge was unable to complete the installation of the Applicant's MYPEEPS software application on his mobile device, Exhibit B to the Dunphy affidavit evidences a sale of the Applicant's MYPEEPS software application to Mr. Goldsworthy of Cambridge, Ontario. I agree with the Applicant that the mere fact that Mr. Goldsworthy was a "contractor" of the Applicant is not sufficient to suggest that this sale receipt does not represent a genuine transaction in the normal course of trade. To the contrary, I find that it supports Mr. Dunphy's assertions of use of the Mark in Canada in association with the Goods as of the claimed date of first use of February 23, 2011. In this regard, it is worth recalling that the evidence introduced by the Opponent itself indicates that the MYPEEPS software application was available for purchase on the App Store and Android Market at least as early as February 25, 2011 [see Bridge affidavit, Exhibit AB-2]. The sale receipt issued by Apple Canada, Inc. actually confirms that the Applicant's MYPEEPS software application was available for purchase and was indeed purchased on February 23, 2011. I see no reason to question the reliability of this sale receipt, especially in view of the Opponent's position that I can take judicial notice of the fact that there would be many hundreds of mobile applications available on the Apple App Store.

[62] Likewise, I see no reason to question the reliability of the spreadsheet reflecting downloads of the Applicant's MYPEEPS software application from Canada issued by the App Stores attached under Exhibit C to the Dunphy affidavit.

[63] With respect for the Opponent, I find that neither the fact that the Applicant's MYPEEPS software application never worked for the purposes of analysing frequent caller plans of Canadian carriers, nor the fact that the Applicant's customers must subscribe to a U.S. carrier plan to use the Applicant's MYPEEPS software application are sufficient to put into issue the claim of use of the Mark in association with the Goods in Canada set forth in the Applicant's application.

[64] Indeed, this does not change the fact that the Applicant's MYPEEPS software application could be downloaded and used in Canada as of the material date, irrespective of the fact that roaming charges could apply.

[65] In view of the foregoing, I am not satisfied that the Opponent has discharged the light burden resting upon it to put into issue the Applicant's continuous use of the Mark as claimed in the application.

[66] Accordingly, the section 30(b) ground of opposition is dismissed with respect to the Goods.

[67] Before closing, I wish to add that if I am wrong in so finding, this does not change the ultimate outcome of this opposition.

[68] Indeed, the Opponent has not pleaded that the present application does not comply with the requirements of section 30(d) of the Act, and thus it has not challenged the Applicant's section 16(2) claim based on use and registration of the Mark in association with the Goods in the U.S. Thus, the application could still proceed on the basis of the section 16(2) claim [see *Arbor Memorial Services Inc v NewPage Wisconsin System Inc*, 2013 TMOB 127, at para 20; and *Canadian Council of Professional Engineers v Kelly Properties, LLC*, 2012 Fc 1344, at paras 133-136].

Disposition

[69] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application with respect to the Services and dismiss the opposition with respect to the Goods pursuant to section 38(8) of the Act [see *Produits Ménagers Coronet Inc v Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 CPR (3d) 482 (FCTD) as authority for a split decision].

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

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CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE: 2017-01-31

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