

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

Citation: 2017 TMOB 126  
Date of Decision: 2017-09-20

**IN THE MATTER OF OPPOSITIONS**

**RE/MAX, LLC**

**Opponent**

**and**

**GMAX WORLD REALTY INC.**

**Applicant**

**1,577,439 for Greater than MAX**

**Applications**

**1,577,441 for G/MAX REALTY**

**1,577,459 for G-MAX REALTY**

**1,577,442 for GMAX WORLD REALTY**

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I FILE RECORDS

[1] On May 14, 2012, GMAX WORLD REALTY INC. (the Applicant) filed the following applications:

- No. 1,577,439 to register the trade-mark Greater than MAX, based on use in Canada since May 8, 2012, in association with real estate brokerage services (the Services);
- No. 1,577,441 to register the trade-mark G/MAX REALTY, based on use in Canada since May 5, 2012 in association with the Services;
- No. 1,577,459 to register the trade-mark G-MAX REALTY, based on proposed use in Canada in association with the Services;
- No. 1,577,442 to register the trade-mark GMAX WORLD REALTY, based on use in Canada since May 1, 2012 in association with the Services.

[2] I shall hereinafter refer globally to these applications as the Applications.

[3] The Applications, except for application No. 1,577,442 which was advertised on February 5, 2014, were advertised for opposition purposes in the *Trade-marks Journal* issue dated November 21, 2012.

[4] The Applications were then opposed by RE/MAX, LLC (the Opponent), on January 21, 2013, except for application No. 1,577,442 which was opposed by the Opponent on April 14, 2014.

[5] The Applicant responded by filing and serving a counter statement in each of the files generally denying the allegations in the statement of opposition. Each counter statement has been amended subsequently to allege that the element 'max' is not distinctive of the Opponent for use in the real estate industry, as a result of the use and registration by others of trade-marks and trade names containing the element 'max'. Consequently, the Applicant pleads that the marks applied for cannot be confusing with any of the Opponent's trade-marks.

[6] The Opponent's evidence consists of the affidavit of Elton Ash. Mr. Ash's affidavit bears a different date in application No. 1,577,442 (September 10, 2014) but its content is identical to his affidavit dated August 15, 2013 filed in the other three applications. Mr. Ash was cross-examined and the transcript is part of the Applications' records.

[7] The Applicant's evidence consists of the affidavits of Lauren Michelle Corput dated March 2, 2015, Robert J. Read executed on the same date and certified copies of extracts of application No. 1,399,482 for the trade-mark MINMAXX.

[8] The Opponent filed as reply evidence the affidavits of Larry Oberly dated July 30, 2015 and of Chuck Chakrapani dated August 4, 2015. The Chakrapani affidavit was also filed as additional evidence in view of the Applicant's contestation arguing that it did not constitute proper reply evidence. They were both cross-examined and their transcripts were filed in all Applications' records.

[9] The Applicant filed, as additional evidence, the affidavit of Kimberly Louise Raoul dated January 20, 2016 in all Applications' records.

[10] Both parties filed written arguments and were represented at the hearing.

## II STATEMENTS OF OPPOSITION

[11] The grounds of opposition pleaded are similar in all files, except that the statement of opposition filed in application No. 1,577,442 for the mark GMAX WORLD REALTY, also contains a ground of non-conformity with section 30(i) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). In the other files, the ground of opposition based on section 30(i) of the Act has been struck by the Registrar subsequent to a request by the Applicant for an interlocutory ruling. There was no similar ruling concerning application No. 1,577,442.

[12] The other grounds of opposition pleaded against the Applications are as follows:

- 12(1)(d)-confusion (in all four applications) with the Opponent's registered trade-marks listed in Annex A, all of which consist of or contain RE/MAX;
  - For applications No. 1,577,439 Greater than MAX, No. 1,577,441 G/MAX REALTY and No. 1,577,459 G-MAX REALTY, confusion with the additional Opponent's registered trade-marks listed in Annex B, which also contain RE/MAX;
  - For application No. 1,577,442 GMAX WORLD REALTY, confusion with the additional Opponent's registered trade-mark:

| Registration No. | Trade-mark | Goods and services   |
|------------------|------------|--|
| TMA575,047       | REMAX      | (1) Real estate brokerage services.<br>(2) Franchise services, namely, offering technical assistance in the establishment and/or operation of real estate brokerage firms. |

- Non-entitlement under section 16 and non-distinctiveness under section 2 of the Act.

## III MATERIAL DATES

[13] The material dates that apply to the grounds of opposition raised are as follows:

- sections 38(2)(a)/30 – the filing date of the application [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475];
- Sections 38(2)(b)/12(1)(d) – the date of the Registrar’s decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 at 424 (FCA)];
- sections 38(2)(c)/16(1) – the claimed date of first use [see section 16(1) of the Act];
- sections 38(2)(c)/16(3) – the filing date of the application [see section 16(3) of the Act]; and
- sections 38(2)(d)/2 – the filing date of the statement of opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185].

[14] Except for the ground of opposition based on section 30(i) of the Act, they all turn on the issue of likelihood of confusion between the marks applied for and the Opponent’s trade-marks. The fact that those grounds of opposition must be assessed at different relevant dates will not have an impact on the outcome of these oppositions.

[15] The likelihood of confusion between the parties’ marks is the central issue in these oppositions.

[16] Before considering the issue of confusion, I will review the parties’ evidence, the evidential burden on the Opponent, the legal onus on the Applicant and the meaning of confusion within the context of the Act.

#### IV OPPONENT’S EVIDENCE

##### **Affidavit of Elton Ash**

[17] Mr. Ash describes himself as “the RE/MAX of Western Canada Regional Executive Vice President of the Opponent”. He has held this position since 2005 and has been employed by the Opponent since 1984.

[18] Mr. Ash states that the Opponent is a world-wide leader in the business of franchising real estate agency services, real estate brokerage services, and provides franchise/consulting services, offering technical assistance in the establishment and/or operation of its franchisees’ real estate brokerage firms.

[19] Mr. Ash states that the Opponent is the registered owner of RE/MAX trade-marks listed in Annex A to this decision. The real estate services listed in Annex A include residential, commercial and industrial real estate. He filed, as Exhibits B to K inclusive, certified copies of

the registrations listed in Annex A. I note that Mr. Ash does not make reference to the registered trade-marks listed in Annex B to this decision and did not file copies of these registrations. However, he filed a certified copy of registration TMA575,047 for the trade-mark REMAX.

[20] Mr. Ash affirms that the Opponent and/or its franchisees have provided many services related to real estate, including franchise sales and support services, consulting services, organizing co-operative advertising and client referral systems, insurance brokerage services, distribution and dissemination of advertising materials, and conducting trade shows all in association with the RE/MAX trade-marks.

[21] Mr. Ash states that the Opponent and its franchisees, through individual RE/MAX sales agents refer owners and purchasers to related services providers such as inspections, mortgage and home equity lending services, insurance, title services, home construction, repair and renovation contractor services.

[22] Mr. Ash states that the Opponent controls all use made by the RE/MAX Network (defined as sub-franchisors, franchisees and affiliate sales associates) of the RE/MAX trade-marks and he filed as Exhibit L the current Trademark and Graphic Standards manual (the Manual) providing guidelines and best practices for the use of those trade-marks by the members of the RE/MAX Network.

[23] Mr. Ash affirms that since 1974 the Opponent and its 90,000 affiliate associates (RE/MAX Affiliates) have invested over six (6) billion dollars to develop, promote and maintain the RE/MAX trade-marks in the United States and worldwide. He adds that the Opponent's franchisees have used the RE/MAX trade-marks in connection with representing either the buyer or the seller over 25 billion times in real estate sale transactions in the United States and worldwide, resulting in over four and a half trillion dollars in sales volume from 1973 to the present.

[24] Mr. Ash states that the Opponent offers its goods and services on a worldwide basis, having a presence in over 85 countries. He filed as Exhibit M a printout of a worldwide property search found online on the Opponent's website, which lists those various countries, including Canada.

[25] Specifically about the use of the RE/MAX trade-marks by the Opponent and its RE/MAX Affiliates in Canada, Mr. Ash filed the following exhibits:

- Exhibit N: Sample of periodicals published and distributed in Canada since July 1977;
- Exhibit O: Photographs of real estate sign used since July 1977 and of a bus with RE/MAX advertising used in Kelowna in 1998;
- Exhibit P: Approved Supplier Catalogue showing the promotional materials available to Canadian Affiliates for distribution in Canada;
- Exhibit Q: photographs of various promotional items bearing the RE/MAX trade-marks;
- Exhibit R: brochures distributed to real estate agents and prospective RE/MAX Affiliates to promote consulting services within the community of real estate professionals;
- Exhibit S: a DVD containing representative samples of television advertisements aired in Canada from 1998 to the present;
- Exhibits T and U: printouts of the website located at *www.remax.ca* accessed in January 2006 and in July 2013. Such website receives on average 4.6 million visitors per year as per graph filed as Exhibit V.

[26] Mr. Ash states that on December 6, 2012 the Opponent started offering a nation-wide search feature so consumers would be re-directed to a regional website. As of May, 2013, there had been 3.1 million visitors to *www.remax.ca*.

[27] Mr. Ash affirms that the approximate value of real estate sold in Canada by the Opponent through its RE/MAX Network from 2008 to 2012 was over \$400 billion.

[28] Mr. Ash estimates the Opponent's market share in real estate sales in Canada, based on discussions, his own experience and knowledge of the real estate market in Canada, to be almost twice as much as its nearest competitor.

[29] Mr. Ash filed as Exhibit W copies of various newspaper and Internet articles showing recognition of the Opponent as a real estate leader in the Canadian marketplace.

[30] Mr. Ash claims that as a result of the Opponent's and the RE/MAX Network extensive use and advertising of the RE/MAX trade-marks, the Opponent has established a well-known reputation and goodwill in those trade-marks in Canada, with the public having long associated the RE/MAX trade-marks exclusively with the Opponent and its products and services.

[31] Mr. Ash filed as Exhibit X a printout of the corporate particulars of the Applicant wherein Al Sarabian Tehrani is listed as an officer and director of the Applicant.



[32] Mr. Ash states that according to the Opponent's business records, Mr. Tehrani has been affiliated as a sales associate or salesperson with three real estate brokerages which were members of the RE/MAX Network from October 2002 to December 2004, all located in Ontario and he filed as Exhibit Y a copy of an agreement between one of the members of the RE/MAX Network and Mr. Tehrani.

[33] Mr. Ash filed as Exhibit Z an excerpt from the *Real Estate and Business Act, 2002* which governs real estate brokers and salespersons in Ontario and refers to subsection 36(3) which stipulates that any advertisement by a broker or a salesperson must clearly and prominently identifies the brokerage that employs the broker or salesperson, using the name in which the brokerage is registered. Consequently, Mr. Tehrani would have been well aware of the RE/MAX trade-marks since at least the time he was affiliated with the RE/MAX Network in 2002.

[34] Mr. Ash stated during his cross-examination:

- He is employed by RE/MAX Western Canada (1998) LLC and not the Opponent but he is an Officer of the Opponent (page 45);
- In paragraph 9 of his affidavit, the term RE/MAX Associates includes brokers and licensees (page 56);
- He is not personally knowledgeable of Mr. Tehrani (page 64);
- Since 2000, he never used the centralized infringement email address mentioned on page 10 of the Manual, Exhibit L (pages 73-74);
- He has received communications as the executive for Western Canada about brand violation but not at the email address referred to on page 10 of the Manual (page 75);
- A yard sign would typically have the RE/MAX hot air balloon and the colours red white and blue (page 81);
- He has refused requests for written approval to combine RE/MAX marks with names of companies in Western Canada (page 96);
- Save and except for the cases described in the next paragraph, no entity has been allowed to include the name RE/MAX in its corporate name (page 97) ;
- He is aware of the existence of OMAX Realty located in Surrey which acts as a Realty brokerage (pages 104-105).

[35] In response to an undertaking, Mr. Ash explains that in the Provinces of Quebec and Ontario, up to the mid 1980's there were franchisees which adopted in their corporate name RE/MAX and thus benefit from a grandfather clause under an exception to the current brand practices. He explains that the current legislation in force in Quebec and Ontario oblige to

include RE/MAX in their corporate names. However, the Opponent requires and has required franchisees in these regions to change their corporate names following termination of their franchise agreements.

#### V APPLICANT'S EVIDENCE

##### **Affidavit of Lauren Michelle Corput**

[36] Ms. Corput is a paralegal employed by the Applicant's agent firm. She was asked to visit the Canadian Intellectual Property Office (CIPO) website and obtained printouts of details of 14 Canadian trade-mark registrations, all comprising the elements MAX or MAXX. She filed the results of her searches as Exhibit LMC-1.

[37] The state of the register and state of the marketplace evidence will be discussed later. Suffice to say at this stage that, as mentioned by the Opponent in its written argument and as admitted by the Applicant during the hearing, out of those 14 citations, only four of them are relevant.

##### **Affidavit of Robert J. Read**

[38] Mr. Read is the President of Read Abstracts Limited that he describes as a search house specializing in searching legal records. He has been a searcher of legal records (including land titles, bankruptcy and other corporate records). He is also a paralegal.

[39] Mr. Read was asked by the Applicant's agent to:

- Conduct investigations pertaining to real estate companies at the Real Estate Council of Ontario (RECO), to the exclusion of RE/MAX or REMAX, whose names contain the element MAX;
- Obtain extracts of METRO/MAX trade-mark application and MINMAXX trade-mark registrations from CIPO's trade-marks database;
- Obtain corporate profile information on Metro Max Realty Inc.; Minmaxx Realty Inc.; minmax realestate inc; Property/Max Realty Inc; and Agence Immobilière Optimax Inc.;
- Obtain Quebec Enterprise Register reports for real estate businesses whose names contain the element MAX other than RE/MAX or REMAX; and

- Obtain internet website advertising in Canada for real estate businesses whose names contain the element MAX other than RE/MAX or REMAX.

[40] Mr. Read states that those searches were conducted from August 2014 to March 2015 in Ottawa either by him or his assistant under his direct supervision and direction.

[41] I note that Exhibit RJR-4 to the Read affidavit is the result of his search on the RECO website. However, only pages 1 through 4, 46 and 47 out of 47 pages have been filed or 60 results out of the 470 entities located. Moreover, Exhibit RJR-5 consists of printouts of selected names from that list. He does not explain how he chose those names. I mentioned, during the hearing, those deficiencies and the Applicant was unable to provide an explanation.

[42] For the following names and/or entities:

- METRO/MAX
- MINMAXX
- PROPERTY/MAX REALTY INC.
- AGENCE IMMOBILIÈRE OPTIMAX INC

Mr. Read visited CIPO's website and/or Industry Canada Corporation Canada's website and/or the entity's website and/or archive web pages obtained from archive.org, and filed printouts of the webpages visited as Exhibits RJR-6 to RJR-18. He also visited the Quebec's corporation registry (CIDREQ) website and for the latter, he printed extracts related to various entities identified in a table, all part of Exhibit RJR-19.

[43] Mr. Read also visited 41 websites wherein the term MAX is used as part of a trade name, domain name or business name, and listed them as part of Exhibit RJR-20. He filed, as part of such Exhibit, screenshots of a selection of web pages from those websites he visited.

[44] Finally, Mr. Read, through the website archive.org visited other websites identified on a list, part of Exhibit RJR-21, wherein the domain address includes the term MAX and he filed, under that exhibit, printouts of a selection of web pages from those websites he visited.

[45] I shall discuss in details the content of his affidavit when assessing the weight to be given to the state of the marketplace evidence.

## VI OPPONENT'S REPLY EVIDENCE

### **Affidavit of Larry Oberly**

[46] Mr. Oberly has been the Opponent's Vice President, Global Development since 2006 and has been employed by the Opponent since 1998. He filed his affidavit in response to the affidavits of Mr. Read and Ms. Corput.

[47] As a general response to the Read affidavit, Mr. Oberly states that the Opponent has taken steps to seek the voluntary or to enforce mandatory, cessation of the use of trade-marks which it believes will create a likelihood of confusion with the Opponent's RE/MAX trade-marks.

[48] Then Mr. Oberly describes the efforts made by the Opponent to protect the RE/MAX trade-marks and, in particular against the following entities:

- Metro Max Realty: a cease and desist letter (Exhibit A) was sent to it and the Opponent opposed its application to register the trade-mark METRO/MAX, which application was ultimately refused by the Registrar (Exhibit B);
- MINMAXX Realty: a cease and desist letter (Exhibit C) was sent to it and the Opponent filed a claim (Exhibit D) against it. A settlement was reached between the parties, the terms of which are confidential, but MINMAXX Realty agreed not to use various trading indicia with its trade-marks that would increase the likelihood of confusion with the RE/MAX trade-marks;
- PROPERTY/MAX Realty: a cease and desist letter (Exhibit E) was sent to it and as part of a settlement, Property/Max Realty Inc. agreed to cease its use of the “/” between PROPERTY and MAX, as well as agreed not to use various trading indicia with its trade-marks that would increase the likelihood of confusion with the RE/MAX trade-marks;
- 2% Realty Max: a cease and desist letter was sent to it on or about August 25, 2014 and filed as Exhibit F;
- Homemax Realty Ltd.: the Opponent became aware of Homemax Realty Inc. as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about March 26, 2015 and filed as Exhibit G. It subsequently ceased its use of the trade-mark HOMEMAX REALTY and now carries on business in association with the trade-mark URBANLINKS REALTY;
- Realtymax Corp: a cease and desist letter was sent to it on September 19, 2013 and filed as Exhibit H and, as part of a settlement, Realtymax Corp. agreed to cease its use of the trade-mark REALTYMAX. Despite that settlement, the Opponent became aware that Realtymax Corp. was continuing to use such mark and the Opponent sent on March 20, 2015, and filed as Exhibit I, a further email to Realtymax Corp. seeking the adherence to the settlement agreement;

- Omax Realty Ltd.: a cease and desist letter was sent to it on May 24, 2010 and filed as Exhibit J. Additionally, the Opponent filed a claim on or about June 25, 2014 and filed a copy as Exhibit K. A settlement was reached by which Omax Realty Ltd. agreed to cease its use of the trade-mark OMAX or any marks confusingly similar to the RE/MAX trade-marks;
- Pro-Immax: the Opponent became aware of Pro-Immax as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about March 26, 2015 and filed as Exhibit L. It subsequently ceased its use of the trade-mark PRO-IMMAX;
- Optimax Realty Inc.: the Opponent became aware of Optimax Realty Inc. as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about April 1, 2015 and filed as Exhibit M. It subsequently agreed to cease its use of the trade-mark OPTIMAX by December 2015;
- Aimax Realty Inc.: the Opponent became aware of Aimax Realty Inc. as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about March 30, 2015 and filed as Exhibit N. It has not yet responded to the Opponent's letter and the Opponent intends to continue its efforts to seek a cessation of the use of the trade-mark AIMAX;
- Courtago Pro-Max: the Opponent became aware of Courtago Pro-Max. as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about March 30, 2015 to ALC Immobilier Inc., doing business as Courtago Pro-Max, and filed as Exhibit O. It has not yet responded to the Opponent's letter and the Opponent intends to continue its efforts to seek a cessation of the use of the trade-mark PRO-MAX;
- IM/MAX Estrie Real Estate Brokers: the Opponent became aware of IM/MAX Estrie Real Estate Brokers as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about March 30, 2015 and filed as Exhibit P. It subsequently informed the Opponent that they are no longer operating as IM/MAX Estrie and will be changing all marketing materials to use Pierre Dufault Courtier, Agence Immobilière;
- Immomax-Go: the Opponent became aware of Immomax-Go Inc. as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about April 1, 2015 and filed as Exhibit Q. It retained counsel and will be responding to the Opponent's letter shortly. The Opponent intends to continue its efforts to seek the cessation of the trade-mark IMMOMAX-GO;
- Promax Realty Inc.: the Opponent became aware of Promax Realty Inc. as a result of the Applicant's evidence in this proceeding and sent a cease and desist letter on or about March 30, 2015 and filed as Exhibit R. It has not yet responded to the Opponent's letter and the Opponent intends to continue its efforts to seek a cessation of the use of the trade-mark PROMAX.

[49] Mr. Oberly provides other examples where the Opponent has sent cease and desist letters to other entities using trade-marks which could potentially lead to confusion (310 MAXX, ISAMAX Inc. and FRANMAX INC.) and has filed copies of those letters.

[50] Mr. Oberly states that the Read affidavit identifies other entities using as a component MAX. However, the Opponent has not taken steps against them either because it does not

consider such trade-marks to be confusingly similar, or because the trade-marks mentioned above were considered to create a greater likelihood of confusion with the RE/MAX trade-marks and/or “they came to the [Opponent]’s attention prior to the filing of the Applicant’s evidence in this proceeding.”

[51] Mr. Oberly asserts that certain entities identified in the Read affidavit are the names of individuals such as for example, Judith D. Maxted and Max Elwood White.

[52] As for the Corput affidavit, Mr. Oberly states that the trade-marks CONDOMAX, MAXIMUM RESULTS and SELMAX have been expunged from the register and he filed, as Exhibit V, extracts of CIPO’s website indicating the dates on which those registrations appear to have been expunged.

[53] During his cross-examination Mr. Oberly stated:

- 2% Realty Max has fully transitioned to 2% Realty Edge and the matter has been concluded (page 9);
- Realtymax Corp will cease all use of REALTYMAX by February 2016 (page 9);
- Another cease and desist letter has been sent to Courtago Pro-Max (page 10);
- With respect to ISAMAX, he does not know if the company stopped using that trade-mark (pages 44-47).

[54] I note that there were several objections made on the basis of privilege claimed. Also the Opponent’s agent directed the witness not to answer several questions related to the wording used in his affidavit on the basis that he did not have the legal knowledge necessary to answer those questions.

[55] In my view, any questions seeking Mr. Oberly’s interpretation of legal terms used in his affidavit were properly objected to. In any event, it is up to the Registrar to determine if the evidence filed in the record justifies the legal assertions made by Mr. Oberly. I shall not take into consideration any legal conclusions drawn by Mr. Oberly as I have no evidence that he is an expert in the field of trade-marks law.

VII OPPONENT'S ADDITIONAL EVIDENCE

**Affidavit of Chuck Chakrapani**

[56] Mr. Chakrapani is the President of Standard Research Systems, President of Leger Analytics, a Division of Leger, a research house, and Distinguished Visiting Professor at the Ted Rogers School of Management at Ryerson University. He also acts as the Chief Knowledge Officer of the Blackstone Group of Chicago, a marketing research company.

[57] I am not going to provide a lengthy description of Mr. Chakrapani's professional experience and qualifications. They are described in paragraphs 1 to 13 of his affidavit and outlined in his curriculum vitae attached as Exhibit A to his affidavit. The Applicant accepted his qualification as an expert during his cross-examination and I have no reason to question his status as an expert.

[58] Mr. Chakrapani was hired by the agent for Opponent's firm to prepare a survey and provide an expert opinion to address the following questions:

- a. Whether the relevant public in Canada is likely to identify a particular individual, business or company as the source of the real estate brokerage services, if those services were advertised in association with the trade-mark GMAX WORLD REALTY;
- b. Whether the relevant public in Canada is likely to associate the trade-mark GMAX WORLD REALTY when used with real estate brokerage services with RE/MAX, or believe that there is an association with, affiliation with, or endorsement by, RE/MAX.

[59] Mr. Chakrapani filed as Exhibit C the instruction letter he received from the agent from the Opponent's firm and as Exhibit D a schedule he received from that firm setting out the details of GMAX WORLD REALTY trade-mark application and those on a number of RE/MAX trade-marks. I wish to point out that his mandate did not cover the trade-mark Greater than MAX (application No. 1577439) [see mandate letter Exhibit C to his affidavit]. Therefore, there is no opinion provided by Mr. Chakrapani concerning that trade-mark.

[60] Mr. Chakrapani filed as Exhibit E an explanation of the survey he designed, the full results of his survey and his report. I reproduce herein some of the questions he designed and used for the survey, wherein GMAP was used as quality control, namely in that 50 % of the

persons were presented with questions using the name GMAP World Realty, a fictitious name, instead of GMAX World Realty:

Q1a. Suppose you come across a REAL ESTATE COMPANY called [GMAX/GMAP] World Realty. Would you or would you not have an opinion as to who or what company owns or operates it?

Q1b. Who or what company in your opinion owns or operates this company?

Q2a. Do you or do you not have any opinion on whether [GMAX/GMAP] World Realty is associated with any other real estate company?

Q2b. Which business or company, in your opinion, is [GMAX/GMAP] World Realty associated with?

Q3a. Do you or do you not have any opinion on whether [GMAX/GMAP] World Realty requires permission from any other business of (sic) company to use its name?

Q3b. Which business or company, in your opinion, needs to give permission to use its name?

[61] Mr. Chakrapani explains that if the misidentification is specific to GMAX World Realty, then he would expect the misidentification to be much lower for GMAP World Realty than for GMAX World Realty.

[62] As pointed out by the Applicant, none of the questions in the survey dealt with GMAX WORLD REALTY, G/MAX REALTY or G-MAX REALTY. Therefore, none of the questions asked dealt with any of the marks applied for as, except for Greater than MAX which is not covered by his report, they are all written in capital letters.

[63] Moreover, this line of questioning seems to address the issue of likelihood of confusion between the parties' marks. It also repeats three times the trade name GMAX World Realty, which certainly do not put the respondents in the hypothetical situation of seeing the Applicant's trade-mark for the first time, once going through the third question.

[64] All these points certainly raise a validity issue which speaks to the relevance of the evidence. In other words, are these questions really capable of extracting reliable and valid conclusions? Were they set up to get the decision maker anymore information that he could not already surmise on his own?

[65] Mr. Chakrapani was asked three (3) additional questions by the agent for the Opponent's firm:



- a. Is the use of the suffix MAX a substantial contributor to the level of misidentification between the names RE/MAX and GMAX World Realty?
- b. Would he expect the level of misidentification to be lesser, greater, or similar if Homeowners encountered the name G/MAX Realty?
- c. Would he expect the level of misidentification to be lesser, greater, or similar if Homeowners encountered the name G-MAX Realty?

[66] Mr. Chakrapani's answers to each of these questions were:

- a. The use of the suffix MAX is likely a substantial contributor to the level of misidentification between the names RE/MAX and GMAX World Realty;
- b. He would expect the level of misidentification to be the same or greater if Homeowners encountered the name G/MAX Realty, because it is more similar to RE/MAX than GMAX World Realty is to RE/MAX, in that it includes a slash, and does not include the word "World";
- c. He would expect the level of misidentification to be the same or greater if Homeowners encountered the name G-MAX Realty, because it is more similar to RE/MAX than GMAX World Realty is to RE/MAX, in that it contains a separator between "G" and "MAX", and does not include the word "World".

[67] I note that, for those additional questions and Mr. Chakrapani's answers to them, as detailed in his affidavit, he refers again to GMAX World Realty and not the trade-mark GMAX WORLD REALTY as applied for.

[68] The following relevant information was obtained from Mr. Chakrapani during his cross-examination:

- For a good survey there should not be double barrelled questions; no suggestive questions and no leading questions;
- To determine if a question is biased or not one must look at the context (pages 11-12);
- He took a chance in asking, as the last question, if the person is familiar with RE/MAX (page 23);
- The scope and purpose of the survey was to assess the views of consumers in Canada as they relate to the trade-mark GMAX World Realty (page 25 and Exhibit C to his affidavit);
- The marks could be put side by side to test imperfect recollection (page 33);
- His goal was to test the first impression of just the population of those who are aware of the RE/MAX trade-mark (page 45);
- In the first question of the survey, the word GMAX is highlighted and he is referring to the Applicant's corporate name as opposed to a trade-mark (page 53);

- With the pre-screening done, the persons interviewed knew that the topic of the survey was real estate (page 54);
- He capped the word GMAX to make it comparable to RE/MAX (page 56 and see Exhibit C to his affidavit);
- The conclusion on page 24, paragraph 7 of Exhibit E, is a misidentification as to a company and not as a trade-mark (page 59).

*The admissibility of Mr. Chakrapani's affidavit*

[69] The Applicant is objecting to the production of Mr. Chakrapani's affidavit and raised, amongst others, the following arguments:

- By allowing the Chakrapani affidavit in the record as additional evidence, the Registrar has allowed the Opponent to split its case;
- The Chakrapani affidavit is not responsive to the issue of likelihood of confusion between the applied for marks and the Opponent's marks;
- The Chakrapani affidavit is not outside the experience and knowledge of the Registrar;
- The survey conducted by Mr. Chakrapani failed to use the precise trade-marks applied for by the Applicant;
- The survey conducted by Mr. Chakrapani had significant flaws which Mr. Chakrapani himself identified in the *Masterpiece* file and wherein he criticized a similar approach used by an opposing expert.

[70] At the outset, I should state that Mr. Chakrapani's qualifications as an expert are not at issue.

[71] Rules 43 and 44 of the Trade-marks Regulations set out different criteria to allow the filing of evidence as reply evidence (Rule 43) and as additional evidence (Rule 44). Moreover, as indicated by the Registrar in a letter dated August 28, 2015, no interlocutory decision is rendered on evidentiary matters and therefore, referred the issue for adjudication at the hearing stage. As such, on August 28, 2015, the Registrar declined to rule on the admissibility of the Chakrapani affidavit, as reply evidence.

[72] When an objection was made by the Applicant on the admissibility of the Chakrapani affidavit on the basis that it did not constitute proper reply evidence, the Opponent subsequently requested leave to file it as additional evidence pursuant to Rule 44(1). The Applicant objected to such request and raised similar arguments described above as well as the non-fulfillment of the criteria identified by the case law to determine if additional evidence should be allowed in the

record (stage of the proceedings, reasons as to why the evidence was not filed earlier, necessity of the evidence and the prejudice to be suffered by the Applicant). The parties filed additional argumentation on the admissibility of the Chakrapani affidavit as additional evidence.

[73] On September 30, 2015, the Registrar, after reviewing the abovementioned criteria to assess the admissibility of the Chakrapani affidavit as additional evidence, concluded that it was in the interest of justice to grant the Opponent's request. However, the Registrar did specify that she was not determining the relevancy and validity of the survey evidence conducted by Mr. Chakrapani.

[74] Consequently, the Chakrapani affidavit has been filed as reply evidence and additional evidence. I do not see any errors in law that would justify a reconsideration of those prior rulings by the Registrar at this stage. However, it is now my duty to determine if such evidence is necessary and relevant under these circumstances.

[75] For the reasons that follow I conclude that the Chakrapani affidavit is not necessary and is irrelevant.

[76] Each party relies on extracts of *Masterpiece* to support their contention. For ease of reference I shall reproduce at length some of these extracts:

#### **D. When Should Courts Take Into Account Expert Evidence in Trade-Mark Confusion Cases?**

##### *(1) The Judge's Role in Controlling the Admission of Expert Evidence*

75 Tendering expert evidence in trade-mark cases is no different than tendering expert evidence in other contexts. This Court in *R. v. Mohan*, [1994] 2 S.C.R. 9 (S.C.C.), set out four requirements to be met before expert evidence is accepted in a trial: (a) relevance; (b) necessity in assisting the trier of fact; (c) the absence of any exclusionary rule; and (d) a properly qualified expert. In considering the standard for the second of these requirements, "necessity", the Court explained that an expert should not be permitted to testify if their testimony is not "likely to be outside the experience and knowledge of a judge":

This pre-condition is often expressed in terms as to whether the evidence would be helpful to the trier of fact. The word "helpful" is not quite appropriate and sets too low a standard. However, I would not judge necessity by too strict a standard. What is required is that the opinion be necessary in the sense that it provide information "which is likely to be outside the experience and knowledge of a judge or jury": as quoted by Dickson J. in *R. v. Abbey*, supra. As stated by

Dickson J., the evidence must be necessary to enable the trier of fact to appreciate the matters in issue due to their technical nature. [p. 23]

76 In light of the relatively extensive expert evidence in this case, and the difficulties with the evidence that I discuss below, I think it is timely to recall that litigation is costly. Courts must fulfil their gatekeeper role to ensure that unnecessary, irrelevant and potentially distracting expert and survey evidence is not allowed to extend and complicate court proceedings. While this observation applies generally, I focus particularly on trade-mark confusion cases, which is the subject of this appeal.

(2) *The Expert Evidence in This Case Did Not Assist With the Confusion Analysis*

(...)

80 The first problem was that much of the expert testimony did not meet the second *Mohan* requirement of being necessary. In a case such as this, where the "casual consumer" is not expected to be particularly skilled or knowledgeable, and there is a resemblance between the marks, expert evidence which simply assesses that resemblance will not generally be necessary. And it will be positively unhelpful if the expert engages in an analysis that distracts from the hypothetical question of likelihood of confusion at the centre of the analysis.

(...)

90 In *esure*, the same concern and caution was expressed about expert evidence of confusion. At para. 62, Arden L.J. stated:

Firstly, given that the critical issue of confusion of any kind is to be assessed from the viewpoint of the average consumer, it is difficult to see what is gained from the evidence of an expert as to his own opinion where the tribunal is in a position to form its own view. That is not to say that there may not be a role for an expert where the markets in question are ones with which judges are unfamiliar.

(...)

92 I would endorse these comments about expert evidence and follow the approach of Spence J. in *Ultravite*, the House of Lords in *General Electric* and the English Court of Appeal in *esure*. In cases of wares or services being marketed to the general public, such as retirement residences, judges should consider the marks at issue, each as a whole, but having regard to the dominant or most striking or unique feature of the trade-mark. They should use their own common sense, excluding influences of their "own idiosyncratic knowledge or temperament" to determine whether the casual consumer would be likely to be confused.

93 Surveys, on the other hand, have the potential to provide empirical evidence which demonstrates consumer reactions in the marketplace — exactly the question that the trial judge is addressing in a confusion case. This evidence is not something which would be generally known to a trial judge, and thus unlike some other expert evidence, it would not run afoul of the second *Mohan* requirement that the evidence be necessary. However, the use of survey evidence should still be applied with caution.

94 The use of consumer surveys in trade-mark cases has been recognized as valid evidence to inform the confusion analysis. As Binnie J. noted in *Mattel*, often the difficulty with survey evidence is whether it meets the first of the *Mohan* requirements: relevance. At para. 45, he further divided the question of relevance into two sub-issues:

As to the usefulness of the results, assuming they are elicited by a relevant question, courts have more recently been receptive to such evidence, provided the survey is both reliable (in the sense that if the survey were repeated it would likely produce the same results) and valid (in the sense that the right questions have been put to the right pool of respondents in the right way, in the right circumstances to provide the information sought).

[Emphasis added.]

95 In *Mattel*, the survey at issue was found to be invalid, as it did not address the likelihood of confusion, only a "mere possibility, rather than a probability, of confusion" (para. 49). This was because the survey asked consumers whether they thought that the company that makes Barbie dolls "*might have anything to do with*" a restaurant that used the trade-mark "Barbie's" (para. 1 (emphasis in original)).

96 In this case, the problem is somewhat different. Unlike *Mattel*, Masterpiece Inc. had not yet established a presence in the community in which it operated. Thus there were no casual or average consumers with "imperfect recollection" of Masterpiece Inc.'s marks to test. As a result, the survey was based on a series of questions that attempted to establish a proxy for "imperfect recollection", and only thereafter test how such customers would react when exposed to the second mark. This is not asking questions "in the right way, in the right circumstances" to elicit evidence of how those with an imperfect recollection of Masterpiece Inc.'s marks would react to Alavida's proposed mark. For a survey to be valid, it seems elementary that there must be some consumers who could have an imperfect recollection of the first mark. Simulating an "imperfect recollection" through a series of lead-up questions to consumers will rarely be seen as reliable and valid

97 While I would not absolutely foreclose the possibility that a party may devise a valid survey in a case where a trade-mark user has not established a sufficient presence in the marketplace for consumers to have formed an imperfect recollection of its trade-mark, I would venture that it is highly unlikely that such a survey would meet the requirements of reliability and validity.

98 I do not know the exact circumstances in which the expert evidence was introduced in this case or what was requested of the trial judge, and there is no suggestion that the trial judge erred in admitting it. Nonetheless, I think it is apparent, particularly with respect to the survey, that the evidence was of little assistance to the trial judge and indeed distracted from the required confusion analysis.

99 Where parties propose to introduce expert evidence, a trial judge should question the necessity and relevance of the evidence having regard to the *Mohan* criteria before admitting it. As I have already pointed out, if a trial judge concludes

that the expert evidence is unnecessary or will distract from the issues to be decided, he or she should disallow such evidence from being introduced.

(my underlines)

[77] Specifically, in *Mattel USA v 3894207 Canada Inc*, [2006] 1 SCR 772 the Supreme Court of Canada enumerated circumstances that would lead to the exclusion of survey evidence, including:

- If the survey is not responsive to the point at issue;
- The trade-mark used in the survey was not precisely the trade-mark applied for. (my emphasis)

[78] Mr. Chakrapani's affidavit contains a survey and based on that survey, his opinion on the likelihood of confusion between the marks in issue. Such evidence, in the circumstances of this case, was unnecessary as the Registrar has the expertise to determine the main issue in this case, namely the likelihood of confusion between the parties' marks. The real estate field is not unfamiliar to the Registrar or is not so complex that it necessitates expert evidence.

[79] Moreover, the survey contains significant flaws and deficiencies, and therefore, in my opinion, the survey also fails to meet the criteria of relevancy. Firstly, as pointed out by the Applicant, the survey did not identify the Applicant's trade-marks but rather its corporate name. Moreover, the corporate name was written in such a way that emphasis was put on the element MAX by identifying the Applicant as GMAX Realty World, while the trade-mark applied for is GMAX REALTY WORLD. Interestingly, he stated during his cross-examination that he has done so in order to make it comparable to RE/MAX [see qq 274-279 to the cross-examination of Mr. Chakrapani].

[80] In addition, the survey contained repetitive questions emphasizing on the portion GMAX [see questions Q1a, Q2a, Q2b and Q3a reproduced above] which approach he specifically criticized in *Masterpiece* [see para 40 of his affidavit filed in *Masterpiece* (exhibit 1 to his cross-examination)] while the test on likelihood of confusion is based on first impression of the mark applied for and imperfect recollection of the Opponent's mark. In this case, the respondents were directed three successive times in a different way to qualify the association between the marks in issue.

[81] Finally, as indicated above, Mr. Chakrapani indicated during his cross-examination that the marks could be put side by side to test the imperfect recollection. This goes against the principle that in order to determine the likelihood of confusion between two trade-marks, they should not be compared side by side.

[82] In any event, should I be wrong in concluding that the content of his affidavit is unnecessary and irrelevant, the flaws in the survey he designed were so significant that I am unable to draw any reliable conclusion from it.

[83] The Applicant also raised the argument that the Chakrapani affidavit does not comply with Rule 52.2 of the *Federal Court Rules* and the *Code of Conduct for Expert Witnesses*. In support of such argument the Applicant is raising the same flaws identified and discussed previously. Assuming that such Rule applies to expert report filed before the Registrar, given my ruling on the admissibility of the Chakrapani affidavit, it is not necessary to determine if this expert evidence abides to the *Federal Court Rules* and *Code of Conduct for Expert Witnesses*.

[84] For all these reasons, I conclude that the content of Mr. Chakrapani's affidavit is:

- Not necessary to assist the Registrar in determining if there is a likelihood of confusion between the marks in issue; and
- is irrelevant.

#### VIII APPLICANT'S ADDITIONAL EVIDENCE

##### **Affidavit of Louise Raoul**

[85] Ms. Raoul is an assistant employed by the agent for the Applicant's firm. She filed as Exhibit KLR-1 the letters sent by the Opponent's agent firm to the Registrar on August 15, 2015 in response to the Applicant's request for an interlocutory ruling concerning the filing of the Chakrapani affidavit as reply evidence.

[86] Ms. Raoul also filed as Exhibit KLR-2 the letters dated August 31, 2015 and filed by the Opponent in reply to the Applicant's letters of August 24, 2015 filed in response to the Opponent's aforesaid letters of August 15, 2015.

[87] Ms. Raoul filed as Exhibit KLR-3 a scanned true copy of the affidavit of Ruth Corbin sworn on July 19, 2007 and filed in Court File No. T-471-07 *Masterpiece Inc and Alavida Lifestyles Inc.*

[88] I shall now proceed with the analysis of the grounds of opposition raised by the Opponent wherein the common issue is to determine whether there is likelihood of confusion or not when the Marks are used in association with the Services.

#### IX LEGAL ONUS AND EVIDENTIAL BURDEN

[89] Before considering the issue of confusion between the RE/MAX trade-marks and the 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.

[90] With respect to (i) above, there is, in accordance with the usual rules of evidence, an evidential burden on the Opponent to prove the facts inherent in its allegations pleaded in its statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 CPR (3d) 293 at 298 (FCTD). 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 *Trade-marks Act* as alleged by the Opponent in its statement of opposition (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.

[91] From the Opponent's evidence described above, I conclude that the Opponent has met its initial evidential burden with respect to each ground of opposition based on the likelihood of confusion (registrability, entitlement and marks applied for being distinctive) between its marks and the applied for marks for the reasons detailed hereinafter.



[92] The evidence shows that the Opponent is the registered owner of the Opponent's marks listed in Annex A and registration TMA575,047 for the trade-mark REMAX. I have exercised my discretion to check the register and I confirm that each of these marks are extant. Thus, the Opponent has met its initial evidential burden with respect to the section 12(1)(d) ground.

[93] The Opponent has also met its evidential burden with respect to the non-entitlement grounds of opposition (section 16) as the content of Mr. Ash's affidavit establishes prior use of the Opponent's trade-mark RE/MAX at each of the relevant dates for assessing the grounds of opposition mentioned above.

[94] Mr Ash's affidavit also establishes that the RE/MAX mark was sufficiently well known in Canada such that it could negate the distinctiveness of the applied for marks at each of the relevant material dates for assessing the distinctiveness grounds of opposition.

[95] Since the Opponent has met its initial evidential burden, I will now go on to assess whether the Applicant has met its legal onus to demonstrate, on a balance of probabilities, that there is no likelihood of confusion between the parties' marks.

#### X WHEN ARE TRADE-MARKS CONFUSING?

[96] Trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the *Trade-marks Act*, which reads:

The 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 . . . or performed by the same person, whether or not the wares or services . . . are of the same general class.

[97] Therefore, section 6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the Applicant's Services sold under the marks Greater than MAX, G/MAX REALTY, G-MAX REALTY and/or GMAX WORLD REALTY would believe that those services were provided or authorized or licensed by the Opponent who sells its real estate services under the RE/MAX trade-marks. As mentioned

above, the legal onus is on the Applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

[98] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are “all the surrounding circumstances” including those specifically mentioned in section 6(5)(a) to 6(5)(e) of the *Act*: the inherent distinctiveness of the 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; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as the weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 CPR(3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 CPR(4th) 361 (SCC), although the degree of resemblance is the last factor cited in section 6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

[99] I consider the Opponent’s best chances of success in these oppositions to be with its trade-marks RE/MAX and REMAX. If the Opponent is not successful, under any grounds raising the likelihood of confusion with its trade-marks RE/MAX and/or REMAX, it would not achieve a better result with its other marks as the likelihood of confusion with those is more remote.

#### XI ANALYSIS OF THE CRITERIA UNDER SECTION 6(5) OF THE ACT

##### **Inherent distinctiveness of the trade-marks and the extent to which they have become known**

[100] Overall, in all the Applications, the first factor under section 6(5) clearly favours the Opponent for the reasons set forth.

[101] I consider that the Opponent’s trade-mark RE/MAX possesses a fair degree of inherent distinctiveness as it is a coined word with no direct association with the services provided by the Opponent.

[102] The degree of distinctiveness of a trade-mark can be enhanced through use and promotion in Canada. The Opponent has filed evidence of extensive use of its RE/MAX mark in Canada such that it has become well-known in Canada in association with real estate services.

[103] I shall now discuss the Applicant's applied for marks in turn.

*Greater than MAX*

[104] I agree with the Opponent that such trade-mark has a low degree of inherent distinctiveness, being composed of the laudatory English words "Greater" and "than" in combination with the term "MAX". In all, it constitutes a slogan suggesting that the quality of the Services will be "greater than the maximum expected". Generally speaking, slogans are considered to constitute relatively weak marks.

[105] There is no evidence of use of any of the marks applied for by the Applicant.

*GMAX WORLD REALTY*

[106] The only distinction I would make with respect to this trade-mark, from the previous trade-mark, is that GMAX is a coined word combined with two descriptive words, "WORLD" and "REALTY", the latter being descriptive of the Services. I consider that mark to be less inherently descriptive than RE/MAX, due to the addition of those two descriptive words.

*G/MAX REALTY and G-MAX REALTY*

[107] These marks are composed of a coined term (G/MAX and G-MAX) together with the descriptive word "REALTY", when those marks are used in association with the Services. I also consider these marks to be less inherently descriptive than RE/MAX given the addition of the descriptive word "REALTY".

[108] In all, for all of the marks applied for, this factor favours the Opponent, primarily because of the distinctiveness (inherent and acquired) of its mark RE/MAX.

### **Length of time the trade-marks have been in use**

[109] As admitted by the Applicant in its written argument, this factor also clearly favours the Opponent in each of the Applications.

### **The nature of the services and the nature of the parties' trade**

[110] The Applicant admits that the parties' services are essentially identical. However it asserts that the nature of the trade differs. To support such contention it refers to *H-D USA LLC v Berrada*, 2014 FC 207, at paras 99-105 where the Federal Court ruled that if the trade-mark owner has a significant percentage of the total market in Canada, the relevant universe of customers is not the general public but that served by the dominant player. Therefore, the Applicant submits, in view of the evidence filed by the Opponent, the relevant universe is that of the Opponent's current, past and repeat customers.

[111] I fail to see how the determination of the relevant universe would have an impact on the question of the nature of the parties' trade. In any event, in *H-D USA*, the Federal Court made such statement in the context of a trade-mark infringement and depreciation of goodwill action based on section 22 of the Act. The referred paragraphs mentioned above were part of an analysis of the relevant criteria to determine if there was actual loss of goodwill in the plaintiff's trade-marks. This is certainly not applicable to our case. The criteria applicable to determine the likelihood of confusion in trade-mark opposition cases differ from those applicable to determine if there is a claim for depreciation of goodwill under section 22 of the Act.

[112] As there is no evidence in the record of the Applicant's channels of trade, and in view of the similarities in the parties' services, I consider reasonable to infer that the Applicant will be or is using similar channels of trade than those used by the Opponent. In any event, the burden was on the Applicant to show that the parties' channels of trade differ. It has not filed any evidence that would support such a conclusion.

[113] Again, these factors favour the Opponent.

### **Degree of resemblance in sound, visually and the ideas suggested by the marks**

[114] As indicated by the Supreme Court of Canada in *Masterpiece*, in most instances, the degree of resemblance between the marks in issue is the most important relevant factor. One must consider the degree of resemblance between the marks in issue from the perspective of appearance, sound and in the ideas suggested by them.

[115] Moreover, the Supreme Court of Canada in *Masterpiece* stated that the preferable approach when comparing trade-marks is to begin by determining whether there is an aspect of the trade-mark that is particularly striking or unique. It also indicated that marks with some differences may still result in a likelihood of confusion. It is not the proper approach to set the marks side by side and to critically analyse them to find similarities and differences.

[116] In the analysis of this factor the Applicant is mainly focusing on the alleged common adoption of the word MAX by third parties as suffix in trade-marks, covering real estate services and real estate brokerage services. The state of the register and state of the marketplace evidence is a distinct factor to assess and should not be mixed with the degree of resemblance of the marks in appearance, sound and ideas suggested. It may have an impact on the overall picture of the likelihood of confusion, but it must be assessed separate and apart from the degree of resemblance of the marks in issue.

[117] It also argues that the Opponent's trade-mark RE/MAX is so well known or famous, that it reduces the likelihood of confusion between the marks in issue. Again, this argument should not be combined with the analysis of the degree of resemblance between the marks. I will discuss such argument under the heading "Additional Surrounding Circumstances" below.

[118] As an additional argument, raised under the criteria of the degree of resemblance, the Applicant argues that the evidence shows that the Opponent's brand consistency guidelines are such that none of the RE/MAX trade-marks would be seen by customers or potential customers without the RE/MAX indicia, namely its tri-colour red, white and blue horizontal stripes. Again, this argument is not relevant to the analysis of the degree of resemblance between the marks. Under a section 12(1)(d) ground, I must compare the Opponent's marks as registered with the Applicant's marks applied for.

*G/MAX REALTY and G-MAX REALTY*

[119] The Applicant argues that the combination of “G/” or “G-” with “MAX REALTY” creates an overall visual impression which serves to distinguish the Applicant’s marks from the Opponent’s RE/MAX mark.

[120] It also argues that these marks differ in the ideas suggested. However, the Applicant has not developed, at the hearing or in its written argument, this point.

[121] Additionally, the Applicant pleads that phonetically the marks in issue differ because the first syllable of the Opponent’s mark is “RE” while the first syllable of the Applicant’s trade-marks is “G”.

[122] I do not consider MAX to be the dominant feature of the parties’ marks. Rather, in my view, the first components of the parties’ marks are, as a whole, the dominant feature.

[123] I consider the addition of the word REALTY does not add a distinctive element to the Applicant’s marks as it is at least highly suggestive of the Services.

[124] The Opponent argues that “G/MAX” and “G-MAX ” being the first portion of G/MAX REALTY and G-MAX REALTY trade-marks are the most striking portion of these marks and have substantial auditory similarity to RE/MAX (“ree” and “gee”), as the terms rhyme and of equal length, when spoken.

[125] Moreover the Opponent argues that G/MAX and G-MAX also have a substantial visual similarity to RE/MAX as they combine a short prefix with the dominant “MAX”. Finally, they include separating elements between the “G” and “MAX” portions, mirroring the Opponent’s trade-mark RE/MAX.

[126] I agree with the Opponent that the marks G/MAX REALTY and G-MAX REALTY do resemble phonetically and visually the Opponent’s trade-mark RE/MAX. Given that the Applicant did not expand on its argument that the ideas suggested by the marks in issue are different, I have difficulty in coming to such conclusion. In any event, even if there was a significant difference in the ideas suggested by these marks, it would not outweigh the fact that these marks are phonetically and visually similar.

[127] Overall, for the marks G/MAX REALTY and G-MAX REALTY, this factor favours the Opponent.

*GMAX WORLD REALTY*

[128] In addition to the arguments described above, the Applicant submits that the addition of “WORLD REALTY” to “GMAX” is a feature that is particularly striking and stands out from the rest of that mark.

[129] I do not necessarily agree with the Applicant in qualifying the addition of the descriptive words “WORLD REALTY” to be particularly striking. However, they contribute to give a different idea to that mark than RE/MAX, which has no particular meaning. Moreover there is no separating element between “G” and “MAX”.

[130] Nevertheless, the Opponent relies on its registration TMA575,047 for the trade-mark REMAX. The addition of the descriptive portion “WORLD REALTY” to “GMAX” does not annihilate the phonetic and visual resemblance between the dominant portion of this mark, namely “GMAX”, and the Opponent’s mark REMAX.

[131] Overall, I consider this mark to resemble the Opponent’s trade-mark REMAX.

*Greater than MAX*

[132] In this case, I consider the portion “Greater than” to be as dominant as the word “MAX”. It gives the idea of a slogan. I concede that it puts emphasis on the word “MAX”, but I must assess the degree of resemblance by looking at the marks as a whole. This trade-mark suggests the idea that the Services will be greater than the maximum expected.

[133] Phonetically, visually and in the ideas suggested, the marks in issue bear little resemblance. Overall, this factor favours the Applicant.

## **Additional surrounding circumstances**

### *State of the register and state of the marketplace evidence*

[134] As it appears from a detailed summary of the Oberly, Corput and Read affidavits, a great portion of the evidence, and by the same token, of the hearing concerns this factor.

[135] At the hearing, considering the reply evidence filed by the Opponent on this topic, as well as the detailed affidavit of Mr. Oberly, who explained what has been done by the Opponent to protect its trade-mark RE/MAX, I asked the Applicant's agent to indicate to me how many relevant citations are left in the record. His reply was simply four trade-marks, namely:

- METRO/MAX
- MINMAXX
- PROPERTY/MAX
- Realty Max

[136] As indicated by the Applicant, the cease and desist letter sent to METRO/MAX Realty is dated October 7, 2008 [see Exhibit A to Oberly affidavit]. The Read affidavit [see Exhibits RJR-8 and RJR-9] provides information about the use of the corporate name MetroMax Realty Inc. subsequent to the cease and desist letter.

[137] I also note that the Registrar refused application No. 758,115 for the trade-mark METRO/MAX on October 7, 1997 subsequent to an opposition filed by Re/Max International, Inc. on the basis of a likelihood of confusion with *inter alia*, the registered trade-mark RE/MAX, TMA237425.

[138] As for MINMAXX, the evidence shows that the corporate name MinMaxx Realty Inc., Brokerage is still in use as well as the trade-mark MINMAXX [see exhibits RJR12 and RJR -13 to Read affidavit]. In fact, the trade-mark MINMAXX has been registered subsequent to the Opponent's withdrawal of its opposition [see Exhibit RJR-10 to Read affidavit].

[139] With respect to PROPERTY/MAX, a cease and desist letter was sent on or about June 8, 2009 [see Exhibit E to Oberly affidavit]. The Applicant argues that, despite such letter, the mark is still being used and refers to Exhibits RJR-15 and RJR-16 to Read affidavit. Mr. Oberly alleges, in his affidavit, that Property/Max Realty Inc. agreed to cease its use of the “/” between



PROPERTY and MAX. I note however on certain pages of Exhibits RJR-15 and RJR-16 there is use of that separator symbol.

[140] Finally, in so far Realty Max is concerned, I wish to point out that the trade-mark and/or business name in issue is 2% Realty Max. As stated above, subsequent to a cease and desist letter, such entity is in the process of changing its name to 2% Realty Edge.

[141] I note that, except for the trade-mark METRO/MAX which was successfully opposed, only the trade-mark MINMAXX appears on the register. Certainly one citation from the register is not sufficient to draw an inference about the state of the marketplace.

[142] The list of 15 trade names or business names still allegedly in use appears in paragraph 234 of the Applicant's written argument. Of the 15 names, the first four are those already discussed above. Mr. Read allegations about the use of those names constitute inadmissible hearsay evidence being extracts of third parties' websites. In any event, I have no evidence that those pages have been viewed by Canadians and if so, to what extent.

[143] As for corporate records attached to Mr. Read's affidavit, they do not establish use of those trade names [see *Pharmx Rexall Drug Stores Inc v Vitabrin Investments Inc* (1995), 62 CPR (3d) 108 (TMOB)]. Nevertheless, for those cases where the Opponent sent cease and desist letters, I am assuming that there was use of those trade names.

[144] Mr. Read describes in his affidavit the steps taken by the Opponent against those entities. These actions by the Opponent show that the Opponent is aggressive in its measures to keep its RE/MAX trade-mark distinctive. Most of the entities have either ceased to use the offended name or, in case of more recent letters sent, have agreed to cease its use.

[145] The Applicant relies on *Auld Phillips Ltd v Suzanne's Inc* 2005 FC 48, affm *Suzanne's Inc v Auld Phillips Ltd* 2005 FCA 429 to argue that widespread use by one infringing party and of significant duration is sufficient to render a mark *public juris*. I can distinguish that case from our situation. Firstly, in *Auld Phillips* it was an expungement proceeding where the respondent's registered trade-mark was at issue. In an opposition proceeding, the Opponent's registered trade-marks are not at issue. Also, there was evidence of significant duration of use by an infringing

party. Here, we do not have valid evidence of use of any third parties' trade name for the reasons already discussed.

[146] Under these circumstances, I do not believe that the state of the register and the state of the marketplace assist the Applicant in this case.

*Family of trade-marks owned by the Opponent*

[147] The Opponent claims to be the owner of a family of trade-marks incorporating the word MAX as it appears from those listed in Annex A to this decision.

[148] In order to rely on such argument, the Opponent had to prove actual prior use of those trade-marks [see *MacDonald's Corporation v Yogi Yogurt Ltd* (1982), 66 CPR (2d) 101].

[149] As pointed out by the Opponent at the hearing, the evidence shows that there has been use of the registered trade-marks RE/MAX, RE/MAX and balloon design and RE/MAX balloon and red, white and blue sign [see for examples Exhibits M, Q and R to Ash affidavit].

[150] I consider that the Opponent has established the existence of a family of trade-marks using RE/MAX in them and not, as suggested by the Opponent, the existence of a family of trade-marks incorporating solely the term MAX. Such suffix is always associated with the prefix RE and no other prefixes. RE/MAX is the characteristic that defines the Opponent's family of trade-marks [see *Clos St-Denis Inc v Verger du Minot Inc* 2014 FC 997].

*Lack of evidence of actual confusion*

[151] The Applicant pleads that there has been no evidence of actual confusion despite the existence of a centralized infringement reporting email address put in place by the Opponent in 1997. In *Masterpiece*, the Supreme Court did mention that the lack of evidence of actual confusion could be a relevant factor. However, in our case, there is no evidence of actual use of the Applicant's applied for marks in Canada and the extent of such use. This could easily explain the absence of actual confusion.

*Can the fame of the Opponent's trade-marks serve to negate the likelihood of confusion?*

[152] To support such argument, the Applicant relies on the following extracts of Manson J. judgement in *adidas AG v. Globe International Nominees Pty Ltd* 2015 FC 443:

63 Fame and notoriety associated with a trademark can be a double-edged sword for a trademark owner. On the one hand, an enhanced reputation may provide the owner with extended protection for the trademark beyond goods and/or services covered by a registration for the marks when the relevant public is likely to believe that the use of that mark, or a similar mark, on those other goods and/or services indicates that they probably emanate from the same source.

64 On the other hand, when a trademark becomes so well known or famous that the public is so familiar with it and readily identifies that trademark as used in the marketplace on goods and/or services, it may be that even as a matter of first impression, any differences between the well-known mark and another party's trademark, as used on the same or similar goods and/or services, may serve to more easily distinguish the other party's trademark and reduce any likelihood of confusion. (my underlines)

[153] These paragraphs follow a conclusion that the Registrar did not fail to consider the fame of the opponent's marks. They are, in my opinion, *obiter* and in the absence of direction from the Federal Court as to circumstances in which the fame of a trade-mark would serve to negate a likelihood of confusion with a similar mark, I am not prepared to conclude that it would be, in this case, a relevant factor favouring the Applicant. In any event, in *addidas AG*, the marks in issue were designs marks, without any word portion. Perhaps, in these situations, such an argument could be made.

### **Summary**

*G-MAX REALTY (Application No. 1,577,459) and G/MAX REALTY (Application No. 1,577,441)*

[154] I conclude, for those two applications, that the Applicant has failed to demonstrate, on a balance of probabilities, that the trade-marks G-MAX REALTY and G/MAX REALTY are not confusing with the Opponent's registered trade-mark RE/MAX.

[155] I reach this conclusion on the basis that:

- Those Applicant's marks do resemble phonetically and visually with the Opponent's trade-mark RE/MAX as discussed above;
- The Opponent's trade-mark RE/MAX is a well-known trade-mark and part of a family of marks;
- The Opponent's trade-mark RE/MAX has been used over a long period of time;
- The Services overlap the Opponent's services covered by its registrations;
- The addition of the descriptive word REALTY is not sufficient to distinguish these marks from the Opponent's trade-mark RE/MAX.

[156] Consequently, in both of these oppositions, the Opponent succeeds under the grounds of opposition based on sections 12(1)(d), 16 and 2 (distinctiveness).

*GMAX WORLD REALTY (Application No. 1,577,442)*

[157] I reach a similar conclusion than in the case of the other two applications in that the addition of the descriptive words WORLD REALTY would not overcome the phonetic and visual resemblance between the dominant portion GMAX of that mark and the Opponent's trade-mark REMAX. All the criteria listed in section 6(5) of the Act favour the Opponent.

[158] As well, the Opponent is successful in this opposition with its grounds of opposition based on sections 12(1)(d), 16 and 2 (distinctiveness). Consequently, I do not need to determine the outcome of the ground of opposition based on section 30(i) of the Act.

*Greater than MAX (Application No. 1,577,439)*

[159] In this case, I conclude that the Applicant has met its legal onus to prove, on a balance of probabilities, that there is no likelihood of confusion between that trade-mark and RE/MAX. I reach this conclusion on the basis that the marks do not resemble one another phonetically, visually and in the ideas suggested by them as discussed above. As stated in *Masterpiece*, this is the most important factor in assessing the likelihood of confusion between two trade-marks. Despite the fact that the other relevant factors favour somewhat the Opponent, in this case, their combined weight does not outweigh the important factor of the degree of resemblance between the marks in issue.

[160] Therefore, I reject, in this opposition, the grounds of opposition based on sections 12(1)(d), 16 and 2 (distinctiveness).




## XII DISPOSITION


[161] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse applications No. 1,577,459 (G-MAX REALTY); No. 1,577,441 (G/MAX REALTY) and No. 1,577,442 (GMAX WORLD REALTY) while I reject the opposition in application No. 1,577,439 (Greater than MAX); the whole pursuant to section 38(8) of the Act.



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Jean Carrière  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office

**ANNEX A**

| Registration No. | Trade-mark  | Goods and services  |
|------------------|---|---|
| TMA237425        | RE/MAX  | <p>Periodical printed publications pertaining to real estate agency.</p> <p>(1) Consulting in the operation, management and promotion of real estate agencies, and organizing co-operative advertising of real estate and a client referral system.</p> <p>(2) Real estate agency services.</p> <p>(3) Real estate brokerage business.</p> <p>(4) Insurance brokerage services.</p> |
| TMA246245        |    | <p>Periodical printed publications pertaining to real estate agency.</p> <p>(1) Consulting in the operation, management and promotion of real estate agencies, and organizing co-operative advertising of real estate and a client referral system.</p> <p>(2) Real estate agency services.</p> <p>(3) Real estate brokerage business.</p>  |
| TMA275957        |  | <p>Periodical printed publications pertaining to real estate agency.</p> <p>(1) Consulting in the operation, management and promotion of real estate agencies, and organizing co-operative advertising of real estate and a client referral system.</p> <p>(2) Real estate agency services.</p> <p>(3) Real estate brokerage business.</p> <p>(4) Insurance brokerage services.</p> |
| TMA575098        |  | <p>(1) Real estate brokerage services.</p> <p>(2) Franchise sales and support services, namely, offering technical assistance in the establishment and/or operation of real estate brokerage services.</p> <p>(3) Insurance brokerage services.</p>   |
| TMA717562        | RE/MAX  | <p>(1) Franchising, namely consultation and assistance in business management, organization and promotion; franchising, namely, offering technical assistance in the establishment and/or operation of real estate brokerage offices; creating and updating advertising material; real estate advertising services; distribution and dissemination of advertising materials</p>     |


|           |   |   |
|-----------|---|---|
|           |   | <p>(2) Advertising the wares and services of others via electronic media and specifically the Internet; arranging and conducting trade shows in the field of real estate and real estate franchise services; business services, namely, registering, screening, credentialing, and organizing third-party vendors, suppliers, and contractors, on behalf of others; promoting the goods and services of others by providing hypertext links to the web sites of others; promoting public awareness of the need for breast cancer screening; providing consumer information in the field of real estate; real estate marketing services, namely, on-line services featuring tours of residential and commercial real estate; referrals in the field of real estate brokerage; real estate networking referral services, namely, promoting the goods and services of others by passing business leads and referrals; subscription to a television channel; real estate auctions</p> |
| TMA717564 | RE/MAX  | <p>(1) Real estate brokerage.<br/> (2) Real estate agencies; real estate valuation services.<br/> (3) Real estate consultancy.<br/> (4) Agencies or brokerage for renting of land and buildings; providing real estate listings and real estate information via the Internet; real estate management; organizing preferred provider programs in the field of products and services to support real estate brokers and agents in the operation of their real estate businesses and in the marketing of their professional services; providing information in the field of real estate via the internet; raising funds for breast cancer screening and treatment, health education projects, and breast cancer research; financial sponsorship of programs that benefit the health and well-being of women and children; insurance brokerage; charitable fund raising.</p>  |
| TMA723971 |  | <p>(1) Real estate brokerage; real estate consultancy.<br/> (2) Real estate agencies; real estate valuation services.<br/> (3) Agencies or brokerage for renting of property; providing real estate listings and real estate information via the Internet; real estate management; organizing preferred provider</p>  |

|           |   |  |
|-----------|---|--|
|           |   | <p>programs in the field of products and services to support real estate brokers and agents in the operation of their real estate businesses and in the marketing of their professional services; providing information in the field of real estate via the Internet; raising funds for breast cancer screening and treatment, health education projects and breast cancer research; financial sponsorship of programs that benefit the health and well-being of women and children; insurance brokerage; charitable fund raising.</p>   |
| TMA717554 |    | <p>(1) Franchising, namely consultation and assistance in business management, organization and promotion; franchising, namely, offering technical assistance in the establishment and/or operation of real estate brokerage offices; creating and updating advertising material; real estate advertising services; distribution and dissemination of advertising materials.</p> <p>(2) Advertising via electronic media and specifically the internet; arranging and conducting trade shows in the field of real estate and real estate franchise services; business services, namely, registering, screening, credentialling and organizing third-party vendors, suppliers and contractors on behalf of others; promoting the goods and services of others by providing hypertext links to the web sites of others; promoting public aware of the need for breast cancer screening; providing consumer information in the field of real estate; real estate marketing services, namely, on-line services featuring tours of residential and commercial real estate; referrals in the field of real estate brokerage; real estate networking referral services, namely, promoting the goods and services of others by passing business leads and referrals; subscription to a television channel; real estate auctions.</p> |
| TMA771851 |  | <p>Franchising, namely, consultation and assistance in business management, organization and promotion; franchising, namely, offering technical assistance in the establishment and/or operation of real estate brokerage offices; creating and updating advertising material; real estate advertising services; arranging and conducting trade shows in the field of real estate and real estate franchise</p>  |



|  |  |  |
|--|--|--|
|  |  | services; referrals in the field of real estate brokerage; real estate networking referral services, namely, promoting the goods and services of others by passing business leads and referrals; real estate auctions; real estate brokerage; real estate agencies; real estate valuation services; real estate consultancy; Real estate management; business brokerage; agencies or brokerage for renting of land and buildings; providing real estate listings and real estate information via the Internet; providing information in the field of real estate via the Internet. |
|--|--|--|

ANNEX B

| Registration No. | Trade-mark  | Goods and services   |
|------------------|---|--|
| TMA707651        | THE RE/MAX COLLECTION   | Providing real estate listings and real estate information via the Internet; real estate agencies; real estate brokerage; real estate consultancy; real estate valuation services.   |
| TMA735651        |  | <p>(1) Real estate brokerage; real estate agencies; real estate consultancy; agencies or brokerage for renting of property; real estate management; providing real estate listings and real estate information via the Internet; providing information in the field of real estate via the Internet.</p> <p>(2) Franchising, namely consultation and assistance in business management, organization and promotion; franchising, namely, offering technical assistance in the establishment and/or operation of real estate brokerage offices.</p> |
| TMA765461        | CHOOSE WISELY.<br>CHOOSE RE/MAX.  | Real estate brokerage services; franchise sales and support services, namely, offering technical assistance in the establishment and/or operation of real estate brokerage services  |

**TRADE-MARKS OPPOSITION BOARD  
CANADIAN INTELLECTUAL PROPERTY OFFICE  
APPEARANCES AND AGENTS OF RECORD**

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**HEARING DATE:** 2017-07-04

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