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LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2022 TMOB 117

Date of Decision: 2022-06-09

IN THE MATTER OF AN OPPOSITION

Temperance Capital Corp.

Opponent

and

Temperance Partners GP I Limited

Applicant

1,745,142 for TEMPERANCE

Application

INTRODUCTION

[1] Temperance Capital Corp. (the Opponent) opposes registration of the trademark TEMPERANCE (the Mark), which is the subject of application No. 1,745,142 by Temperance Partners GP I Limited (the Applicant).

[2] Generally speaking, the application is for registration of the Mark in association with insurance and financial services.

[3] The opposition is primarily based on allegations of confusion between the Mark and the Opponent's trademark TEMPERANCE CAPITAL and trade name Temperance Capital Corp., in association with investment services.

[4] The *Trademarks Act*, RSC 1985, c T-13 (the Act) was amended on June 17, 2019. All references to the Act in this decision are to the Act as amended, with the exception of references

to the grounds of opposition which refer to the Act before it was amended (see section 70 of the Act).

[5] For the reasons that follow, the application is refused in part.

THE RECORD

[6] The application was filed on September 2, 2015. The statement of services in the application, as amended on September 27, 2016, reads as follows:

(1) Private equity fund investment services.

(2) Financial advice and consultancy services, namely financial analysis consultation services; investment advice; investment consultancy; financial services, namely, wealth management services; insurance brokerage services; trust services, namely, investment and trust company services; financial information and advisory services, namely financial forecasting; financial investment brokerage services; financial management; financial portfolio analysis services; financial research and information services, namely financial analysis and research services; financial planning; corporate finance services, namely, consultation in the field of capital structure; corporate finance services, namely, consultation in the field of asset sales.

[7] The application claims use of the Mark in Canada since at least as early as January 24, 2011 for the services listed at (1), and proposed use of the Mark for the services listed at (2).

[8] The application was advertised in the *Trademarks Journal* of January 4, 2017.

[9] The Opponent opposed the application pursuant to section 38 of the Act by statement of opposition filed on June 5, 2017. The statement of opposition was amended on September 14, 2017, further to the Applicant's request for an interlocutory ruling. The Registrar granted leave to amend the statement of opposition and issued the interlocutory ruling on October 11, 2017.

[10] The grounds of opposition remaining to be decided may be summarized as follows:

1. the application does not comply with the requirements of section 30(b) of the Act;
2. the Applicant is not the person entitled to the registration of the Mark owing to confusion with the Opponent's trademark TEMPERANCE CAPITAL and trade name Temperance Capital Corp., previously used or made known in Canada in association with "investment services, among other services"; and

3. the Mark is not distinctive.

[11] The Applicant filed and served a counter statement denying the grounds of opposition.

[12] In support of its opposition, the Opponent filed the affidavit of Alex Baluta, sworn March 13, 2018. Mr. Baluta was not cross-examined on his evidence.

[13] In support of its application, the Applicant filed the affidavit of Michelle Noonan, sworn March 29, 2019. Ms. Noonan was not cross-examined on her evidence

[14] Only the Opponent filed written representations. No hearing was held.

EVIDENTIARY BURDEN

[15] The legal onus is on the Applicant to show that the application complies with the provisions of the Act. However, there is an initial evidential burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist. Once this initial burden is met, the Applicant must satisfy the Registrar, on a balance of probabilities, that the grounds of opposition pleaded should not prevent the registration of the Mark [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (FCA)].

THE PARTIES' EVIDENCE

[16] The parties' evidence is summarized below and discussed further in the analysis of the grounds of opposition.

Opponent's evidence

[17] As a first matter, I note that in considering the Opponent's evidence, I will disregard any statements of Mr. Baluta amounting to an opinion on a question of fact and law to be determined by the Registrar in this proceeding.

[18] Mr. Baluta has been the Chief Executive Officer of the Opponent since the company was founded in 2014. He is also a Co-Founder of the Opponent. Mr. Baluta explains that as CEO of the Opponent, he is responsible for overseeing all operations of the Opponent, including, but not limited to, day-to-day management decisions and implementing the Opponent's short- and long-term plans [para 1].

[19] At paragraph 2 of his affidavit, Mr. Baluta states that the Opponent is the owner of the trademarks TEMPERANCE CAPITAL, TEMPERANCE INVESTMENT, and the TC logo. He also states that the Opponent is part of a group of companies, and that the companies in this group include:

- a. Temperance Capital Corp., incorporated in Alberta on October 10, 2014;
- b. Temperance Capital Management Corp., incorporated in Ontario on October 28, 2014;
- c. Temperance Investment Corp., incorporated on July 16, 2016;
- d. Temperance Capital Administration Corp, incorporated on July 15, 2016;
- e. Temperance Capital Income Trust, "instantiated" August 2, 2016.

[20] Mr. Baluta goes on to state at paragraph 3 of his affidavit: "I am also the CEO or senior executive of the other companies listed above, a Director of all the companies, and a Trustee of the Trust (collectively referred to as 'Temperance Capital')."

[21] Unless indicated otherwise, my subsequent use of the term "Temperance Capital" reflects the use of this term by Mr. Baluta in his affidavit.

[22] Mr. Baluta explains that the application for the Mark has been cited against the Opponent's application No. 1,808,017 for the trademark TEMPERANCE CAPITAL filed on November 4, 2016. He provides the particulars of the Opponent's application, including the revised application dated March 13, 2018, and a copy of the Examiner's report [paras 5-7, Exhibit A].

[23] Mr. Baluta generally describes the business activities of Temperance Capital as the offering of "capital investments services, investment fund services, as well as management consulting and financial services in Canada either through [the Opponent] or an affiliate" [para 10].

[24] Details concerning the capital investment services and investment fund services offered by Temperance Capital are provided by Mr. Baluta, with supporting exhibits [paras 11-18, Exhibits “B” to “I”]. The management consulting and financial services are also detailed in the affidavit, although without supporting exhibits [paras 19-20].

[25] Mr. Baluta states at paragraph 21 of his affidavit that “Temperance Capital established its business in the fall of 2014 and adopted the name ‘Temperance Capital’ shortly thereafter”. He goes on to state: “After a corporate name search, Temperance Capital Corp was selected and the domain name tempreancecapital.com acquired in December 2014”. Mr. Baluta files “a copy of the NUANS reservation report dated January 2015” [para 22, Exhibit “J”].

[26] Mr. Baluta files current pages from the website of Temperance Capital at *temperancecapital.com*, which has been active since at least as early as January 2015 [para 23, Exhibit “K”].

[27] Mr. Baluta references media coverage of Temperance Capital in Canada [para 24, Exhibit “L”].

[28] Mr. Baluta provides Temperance Capital’s capital raised and annual revenues for the services associated with the trademark TEMPERANCE CAPITAL for the fiscal years 2015 to 2018 [para 25]. He also provides expenditures for brochures, advertisements and promotional items produced and distributed by Temperance Capital for the years 2016 to 2018 [paras 26-27].

[29] Finally, Mr. Baluta makes a few assertions with respect to the Applicant’s website [paras 32-34, Exhibit “M”]. I will discuss the relevance of these assertions below.

Applicant’s evidence

[30] Ms. Noonan is a student at law employed by the Applicant’s trademark agents. However, she provides no opinions that need to be excluded from consideration pursuant to *Cross Canada Auto Body Supply (Windsor) Ltd v Hyundai Auto Canada*, 2005 FC 1254; aff’d 2006 FCA 133.

[31] Indeed, Ms. Noonan’s evidence is limited to providing the following material:

- a) Screenshots of the Applicant's website at *www.temperancepartners.com*, namely: a screenshot as of March 29, 2019 [Exhibit 1]; a screenshot from the Wayback Machine of the earliest archived capture available, dated February 22, 2015 [Exhibit 2]; and a screenshot from the Wayback Machine showing the archived webpage as of July 11, 2015 [Exhibit 3].
- b) Printouts of two online articles, one published by the Financial Post on October 19, 2016, and the other by Marketwire on January 17, 2013 [Exhibits 4 and 5].

ANALYSIS OF THE GROUNDS OF OPPOSITION

Preliminary remarks

Opponent's written representations

[32] The Opponent's written representations solely consist of the following three paragraphs:

Through extensive evidence, the Opponent has met its initial evidential burden in respect of each ground of opposition. The burden of proof has been shifted onto the Applicant, who has failed to demonstrate that its application complies with the *Trademarks Act*, that the applied-for mark is distinctive, and that the Applicant is the person entitled to registration.

With respect to the evidence, the web page led by the Applicant is devoid of any substantive content. The first news article led by the Applicant relates to the Opponent's activities, not the Applicant's. The second news article led by the Applicant refers to a "strategic partnership" with a third party in the US, not to any use in Canada.

The Board is urged to take judicial notice that the Applicant has filed a new application for TEMPERANCE PARTNERS (1976392) after the filing of this Opposition proceeding.

[33] Aside from the lack of substance of the Opponent's written representations, for reasons which will be discussed below, I disagree with the Opponent's contention that it has met its initial evidential burden in respect of each ground of opposition.

[34] Also, I will not take judicial notice of application No. 1,976,392 allegedly filed by the Applicant. Indeed, the Registrar does not exercise discretion to take cognizance of applications and registrations other than those pleaded in support of a section 12(1)(d) or section 16 ground of opposition [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)].

Use of TEMPERANCE CAPITAL that enures to the Opponent

[35] In my view, Mr. Baluta's evidence raises the issue of whether use of TEMPERANCE CAPITAL by the Opponent's affiliated companies as or in a trademark or in a trade name enured to the Opponent under section 50 of the Act.

[36] It is well established that corporate structure alone is insufficient to show the existence of a licence agreement and does not permit the inference that a trademark owner has control over the character or quality of the goods and services used in association with a licensed mark [*MCI Communications Corp v MCI Multinet Communications Inc* (1995), 61 CPR (3d) 245 (TMOB); *3082833 Nova Scotia Co v Lang Michener LLP* 2009 FC 928 at para 32]. However, it is also well established that an inference may be drawn that there is control when an individual is a director or an officer of both the trademark owner and a licensee [*Petro-Canada v 2946661 Canada Inc* (1998), 83 CPR (3d) 129 (FCTD); *Lindy v Canada (Registrar of Trade Marks)*, [1999] FCJ No 682 (FCA)].

[37] Absent representations from the Applicant to convince me otherwise, I find that Mr. Baluta's statement concerning his roles and functions for the Opponent and its affiliates is sufficient for me to infer the existence of control pursuant to section 50 of the Act [para 3 of the affidavit]. I would add that it was open to the Applicant to cross-examine Mr. Baluta on his evidence, but the Applicant chose not to do so.

Non-compliance with section 30(b)

[38] The section 30(b) ground of opposition pleaded by the Opponent has two prongs, namely that "the Applicant has not used TEMPERANCE (e.g., as a stand-alone trademark)", and that the Applicant has not used the Mark since January 24, 2011, as stated in the application.

[39] This ground of opposition is necessarily restricted to "private equity fund investment services". Further, the material date to assess this ground of opposition is the filing date of the application [*Georgia-Pacific Corporation v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB)].

[40] The evidential burden on an opponent respecting the issue of non-compliance with section 30(b) of the Act is a light one and can be met by reference not only to an opponent's

evidence but also to an applicant's evidence [*Labatt Brewing Co Ltd v Molson Breweries, A Partnership* (1996), 68 CPR (3d) 216 (FCTD) at 230; *Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd*, 2014 FC 323 at paras 33-38]. To meet its burden, an opponent must show that an applicant's evidence is clearly inconsistent with the claimed date of first use or raises doubt as to the veracity of the claimed date of first use [*Ivy Lea Shirt Co v Muskoka Fine Watercraft & Supply Co* (1999), 2 CPR (4th) 562 (TMOB), at 565-566, aff'd (2001) 11 CPR (4th) 489 (FCTD); *Corporativo de Marcas, supra*]. If an opponent meets its evidential burden, an applicant must prove that it has used the trademark as of the date claimed.

[41] For ease of reference, I reproduce the parts of Mr. Baluta's affidavit apparently intended as evidence in support of the section 30(b) ground of opposition:

31. [The application for the Mark] included a claim of "use in Canada since at least as early as January 24, 2011" in association with services designated as "private equity investment services".
32. However, Applicant's website at temperancepartners.com includes a copyright notice of 2014. The website appears to be a "parking page" and provides links labelled "NEW YORK" and "TORONTO" both of which resolve to a mailto link to info@temperancepartners.com. A complete copy of the temperancepartners.com website is attached hereto as Exhibit "M".
33. The "WayBack Machine" operated by Archive.org indicates that the temperancepartners.com site was first crawled on February 22, 2015.
34. Furthermore, there is no display of the stand alone (sic) word "TEMPERANCE" apart from the phrase "TEMPERANCE PARTNERS" on the Applicant's website.

[42] Based on the date "2018-03-12" displayed in the upper right corner of both exhibited pages of the Applicant's website, I conclude that they are subsequent to the material date. Thus, the exhibited pages of the website have no probative value in considering the first prong of the ground of opposition alleging that the Applicant did not use TEMPERANCE as a stand-alone trademark as of September 2, 2015

[43] Absent substantive representations from the Opponent, I presume the statements in paragraphs 32 and 33 of the affidavit, and supporting Exhibit "M", are introduced as evidence showing that the Mark could not have been first used on January 24, 2011, as stated in the application.

[44] However, nothing in the application for the Mark restricts the Applicant's private equity fund investment services to services offered through a website. In other words, the fact that the Applicant *may* not have had an Internet presence on January 24, 2011 is not sufficient for the Opponent to discharge its burden with respect to the second prong of the ground of opposition.

[45] I wish to add that it is not clear whether the Opponent's argument that "the web page led by the Applicant is devoid of any substantive content" is intended as the Opponent relying on the Applicant's evidence to meet its evidentiary burden under the section 30(b) ground of opposition. However, I find that the Applicant's evidence does not help the Opponent's case. Indeed, my reasoning as to the lack of probative value of the website pages provided by Mr. Baluta applies to the screenshots of the Applicant's website provided by Ms. Noonan [Exhibits 1 to 3]. Moreover, since the Opponent did not discharge its evidentiary burden, the Applicant was not obliged to submit any evidence to substantiate its claimed date of first use.

[46] Accordingly, the section 30(b) ground of opposition is dismissed in view of the Opponent's failure to meet its evidentiary burden.

Non-entitlement to registration

[47] The grounds of opposition alleging that the Applicant is not the person entitled to registration of the Mark are premised on allegations of confusion with the Opponent's previously used or made known trademark TEMPERANCE CAPITAL (the Opponent's Mark) and trade name Temperance Capital Corp. (the Trade Name).

[48] To the extent that the Opponent relies on the prior making known of the Trade Name, I note that both sections 16(1)(c) and 16(3)(c) of the Act clearly and specifically refer to a trade name that has been previously *used* in Canada, not one that has been previously made known. In other words, a non-entitlement ground of opposition alleging that a trade name has been made known is invalid.

[49] Furthermore, I find from the outset that Mr. Baluta's evidence does not establish that the Opponent's Mark has been made known in Canada pursuant to the definition of "made known" set out in Section 5 of the Act.

[50] Thus, in order to meet its evidential burden under the non-entitlement grounds of opposition in this case, the Opponent must show its use of the Opponent's Mark and Trade Name prior to the relevant material dates, which are discussed below. Further, the Opponent must show that the Opponent's Mark and Trade Name had not been abandoned at the date of advertisement of the application, namely January 4, 2017.

Sections 16(1)(a) and 16(1)(c) of the Act

[51] The material date to assess grounds of opposition raised under sections 16(1)(a) and 16(1)(c) of the Act is the date of first use alleged in the application, namely January 24, 2011.

[52] In this case, the grounds of opposition raised under sections 16(1)(a) and (c) of the Act are necessarily restricted to "private equity fund investment services".

[53] Both grounds of opposition may be summarily dismissed for the Opponent's failure to show use its alleged trademark and trade name prior to the material date. Indeed, it is apparent that Mr. Baluta's evidence purports to show use of the Opponent's Mark and Trade Name in Canada since 2015 in association with capital investment services and investment fund services, as well as management consulting and advisory services.

[54] Accordingly, the grounds of opposition raised under sections 16(1)(a) and 16(1)(c) are dismissed.

Sections 16(3)(a) and 16(3)(c) of the Act

[55] The material date to assess the grounds of opposition raised under sections 16(3)(a) and 16(3)(c) of the Act is the filing date of the application, namely September 2, 2015.

[56] In this case, these grounds of opposition are necessarily restricted to the services applied for on the basis of proposed use in Canada, listed at (2) in the application.

[57] Section 4(2) of the Act provides that a trademark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services. A trade name, as defined in section 2 of the Act, is the name under which a business is carried on.

Accordingly, an opponent relying on prior use of a trade name must demonstrate its use in the normal course of a functioning business and in relation to the class or classes of persons with whom such business is to be conducted [*Mr Goodwrench Inc v General Motors Corp* (1994), 55 CPR (3d) 508 (FCTD)]. In accordance with the principles of section 4 of the Act, the display of a trade name in the performance or advertising of services available in Canada will suffice in this respect [*Carbon Trust v Pacific Carbon Trust*, 2013 FC 946, at para 68].

[58] Further, it is well established that multiple trademarks or trade names may be used at the same time if they are perceived as separate trademarks or trade names [*AW Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD); *Loro Piana SPA v Canadian Council of Professional Engineers* (CCPE), 2009 FC 1096]. As long as they are not combined in a way that renders the individual marks or names indistinguishable, their validity is not affected [*Philip Morris Products SA v Marlboro Canada Ltd.*, 2010 FC 1099 at para 217].

[59] It is with the above in mind that I will consider each of the section 16(3) grounds of opposition below.

[60] To this end, I have to note that the Opponent's evidence, as introduced by Mr. Baluta, lacks specificity. For instance, there is no clear statement as to the exact date of first use of the Opponent's Mark or Trade Name in Canada in association with each of the services detailed separately in the affidavit under the headings "Capital Investment Services", "Investment Fund Services" and "Management Consulting and Financial Advisory Services". In addition, and not less importantly, Mr. Baluta essentially introduces the evidence by references to Temperance Capital's services without distinction between the Opponent's Mark and Trade Name. The consequences of the lack of specificity and other deficiencies in Mr. Baluta's affidavit will be addressed further under the consideration of each of the section 16(3) grounds of opposition in turn.

Section 16(3)(a) of the Act – Confusion with the Opponent's Mark

[61] As mentioned above, Mr. Baluta's evidence purports to show use of the Opponent's Mark in Canada since 2015 in association with capital investment services and investment fund

services (collectively the Investment Services, unless indicated otherwise), as well as management consulting and advisory services (the Consulting and Advisory Services).

[62] For the reasons that follow, I find from the outset that Mr. Baluta's evidence is not sufficient to establish use of the Opponent's Mark in Canada in association with the Consulting and Advisory Services as of September 2, 2015.

[63] For one thing, there is no clear statement as to the date of first use of the Opponent's Mark in association with the Consulting and Advisory Services. However, Mr. Baluta clearly states that these services are provided *besides* (my emphasis) the Investment Services [para 19 of the affidavit]. Since the Opponent's evidence is that the Consulting and Advisory Services are distinct from the Investment Services, I am not willing to infer that all of Temperance Capital's services were first performed or offered at the same time in Canada.

[64] In addition, while Mr. Baluta specifically references documentary evidence filed with respect to the Investment Services, he does not do so with respect to the Consulting and Advisory Services. There is only a reference to "a management consulting financial advisory contract", signed on May 5, 2017, without a supporting exhibit [para 20 of the affidavit]. Also, based on my review of all the documentary evidence provided by Mr. Baluta, I conclude that all the documentary evidence relates to the Investment Services.

[65] In the end, I am not prepared to conclude that Mr. Baluta's evidence establishes use of the Opponent's Mark in association with the Consulting and Advisory Services in Canada at any time.

[66] I now turn to Mr. Baluta's evidence with respect to the Investment Services.

[67] Despite the lack of specificity, on a fair reading of Mr. Baluta's affidavit as a whole, I find the Opponent's evidence sufficient to meet its burden to show use of the Opponent's Mark prior to September 2, 2015, and non-abandonment as of January 4, 2017, in association with the Investment Services.

[68] In this regard, it suffices to note that the following documentary evidence shows use of the Opponent's Mark in association with the Investment Services:

- the first page of the Opponent’s website, which is said to be representative of how the website has appeared since January 2015 [para 23, Exhibit “K”];
- the “greensheet” of May 2015 explaining the primary aspects of an offering “to raise a debenture of between \$4mm and \$6mm to fund investments” [para 16, Exhibit “E”]; and
- the “greensheet” and the slide deck for a preferred unit offering for which Temperance Capital has been in continuous distribution since 2016 [para 17, Exhibit G].

[69] Thus, the issue becomes whether the Applicant has met its legal onus to establish, on a balance of probabilities, that there was no reasonable likelihood of confusion between the Mark and the Opponent’s Mark as of September 2, 2015.

[70] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act provides that use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class or appear in the same class of the Nice Classification. This test does not concern confusion of the trademarks themselves, but rather confusion as to whether the goods and services associated with each of the trademarks come from the same source.

[71] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time each trademark has been in use; (c) the nature of the goods, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trademarks, including in appearance or sound or in the ideas suggested by them.

[72] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, at para 49, where the Supreme Court of Canada states that

section 6(5)(e) of the Act, the resemblance between the marks, will often have the greatest effect on the confusion analysis.

Inherent distinctiveness and extent known

[73] The overall consideration of this factor involves a combination of inherent and acquired distinctiveness of the trademarks. The acquired distinctiveness of a mark refers to the extent to which it has become known.

[74] Although the word CAPITAL in the Opponent's Mark is descriptive in the context of the Investment Services, the Opponent's Mark possesses some measure of distinctiveness, as does the Mark. In the end, I assess the inherent distinctiveness of the trademarks as about the same.

[75] There is no evidence of the extent to which the Mark had become known in Canada at the material date.

[76] As for the Opponent's Mark, it is reasonable to conclude from the evidence that it has been used in Canada since January 2015. However, for the reasons that follow, Mr. Baluta's evidence does not allow me to draw a meaningful conclusion with respect to the extent to which the Opponent's Mark had become known in Canada at the material date.

[77] A table summarizing Temperance Capital's capital raised and the annual Canadian revenues for the services associated with the Opponent's Mark is found at paragraph 25 of the affidavit. The greater-than sign (“>”) appears in front of the amounts provided for the fiscal years 2015 to 2018. However, this evidence is not of assistance to the Opponent because:

- there is no indication of which 12-month period is covered by Temperance Capital's fiscal year;
- the amount of annual Canadian revenues is not provided for the fiscal year 2015; and
- it is not clear whether the amount of capital raised for the fiscal year 2015, which was greater than \$1,100,000, is for the period of January to September 2015.

[78] The evidence concerning the promotion of the Investment Services is also of no assistance to the Opponent.

[79] Indeed, while Mr. Baluta references the Opponent’s website as a mean of promotion, there is no data on the number of Canadian visitors to the website [para 23 of the affidavit].

[80] Likewise, Mr. Baluta provides no information on the extent to which any “brochures, advertisements and promotional items” produced by Temperance Capital, including as part of the sponsorship of conferences, have been distributed in Canada [para 26 of the affidavit]. I would add that there is only one undated document provided as representative “marketing materials” [para 13 of the affidavit, Exhibit “B”]. Finally, the earliest promotional expenditures provided are for the year 2016 [para 27 of the affidavit].

[81] Accordingly, the section 6(5)(a) factor does not favour either party.

Length of use

[82] Since the evidence establishes use of the Opponent’s Mark during an approximate eight-month period prior to the material date, the section 6(5)(b) factor slightly favours the Opponent.

Nature of the services or business and nature of the trade

[83] Other than “insurance brokerage services”, the services listed at (2) in the application for the Mark are either identical to or overlapping with the Opponent’s Investment Services.

[84] As for “insurance brokerage services”, in my view their listing among the other services in the application for the Mark arguably shows a relationship between “insurance brokerage services” and financial services. In other words, the Applicant’s own application suggests that insurance brokerage services and financial services could be performed or offered by the same entity or on its behalf. In the absence of evidence to the contrary, I find it reasonable to conclude to a relationship between the Applicant’s “insurance brokerage services” and the Opponent’s Investment Services.

[85] As regards the nature of the trade for the Opponent’s capital investment services Mr. Baluta states, at paragraph 11 of his affidavit, that “Temperance Capital is a royalty or debt investor in small to medium sized business. Temperance Capital provides investment in exchange for a small percentage of revenue of the business”. As regards the nature of the trade

for the Opponent's investment fund services, Mr. Baluta states, at paragraph 14 of his affidavit, that "Temperance Capital raises capital to make investments and has done so since 2015. These efforts are in the exempt market channel and in the IIROC (Investment Industry Regulatory Organization of Canada) channel, meaning directed to brokers and independent dealers".

[86] Since the Applicant did not evidence its channels of trade, given the identity, overlap or relationship between the parties' services, I find it reasonable to conclude that there is a potential for overlap in their channels of trade.

[87] Accordingly, the section 6(5)(c) and section 6(5)(d) factors favour the Opponent.

Degree of resemblance

[88] As noted above, the degree of resemblance between the trademarks is often the most significant factor in the confusion analysis. When considering the degree of resemblance, it is preferable to first consider whether there is an aspect of the trademark that is "particularly striking or unique" [*Masterpiece*, above, at para 64].

[89] The Mark is comprised of the single striking element TEMPERANCE. The most striking aspect of the Opponent's Mark is the word TEMPERANCE, since the word CAPITAL is descriptive in the context of the Investment Services.

[90] As a result of their shared component TEMPERANCE, the trademarks have a significant degree of resemblance in sound and appearance.

[91] Finally, the only idea suggested by the Mark is "moderation in action, thought or feeling: restraint" [see *The Merriam-Webster Dictionary*]. In my view, the word CAPITAL does not significantly impact the idea of restraint suggested by the word TEMPERANCE in the Opponent's Mark. In any event, considering the trademarks in their entirety, there is certainly an overlap between the ideas suggested, owing to their shared component.

[92] Accordingly, the section 6(5)(e) factor favours the Opponent.

Conclusion – Likelihood of confusion

[93] Having considered all of the surrounding circumstances of this case, I conclude that the Applicant has not discharged its legal onus to show, on a balance of probabilities, that there was no reasonable likelihood of confusion between the Mark and the Opponent’s Mark as of September 2, 2015.

[94] Accordingly, the section 16(3)(a) ground of opposition is successful with respect to the services listed at (2) in the application for the Mark.

Section 16(3)(c) of the Act – Confusion with the trade name Temperance Capital Corp.

[95] The ground of opposition to be decided is premised on an allegation of confusion between the Mark and the Trade Name, that is *Temperance Capital Corp.* (my emphasis), which prior use is alleged by the Opponent.

[96] While there is very limited documentary evidence showing use of the Trade Name, the documentary evidence includes instances of use of TEMPERANCE CAPITAL that qualify as use of a trademark and trade name simultaneously. Whether the omission of “Corp.” constitutes a minor deviation such that the evidence showing use of the trade name *Temperance Capital* is sufficient to establish use of the Trade Name does not need to be decided.

[97] Indeed, despite the lack of specificity and the limited documentary evidence showing the Trade Name, I find the Opponent’s evidence sufficient to meet its burden to show use of the Trade Name in the course of business prior to September 2, 2015, and non-abandonment as of January 4, 2017.

[98] In this regard, I accept that the Offering Memorandum dated July 29, 2015 circulated “in an effort to raise a debenture of between \$4mm and \$6mm to fund investments in the IIROC channel” shows use of the Trade Name [para 16, Exhibit “D”]. I also accept that, besides showing use of the Opponent’s Mark, the “Investor FAQ” document of May 2017 shows use of the Trade Name [para 15, Exhibit “C”]. Although the exhibited “Investor FAQ” relates to an offering of May 19, 2017, based on a fair reading of Mr. Baluta’s statement relating thereto, I

accept the exhibited document as a representative specimen of use of the Trade Name since January 2015 in association with investment fund services.

[99] Thus, the issue becomes whether the Applicant has met its legal onus to establish, on a balance of probabilities, that there was no reasonable likelihood of confusion between the Mark and the Trade Name, as of September 2, 2015.

[100] The difference between the Opponent's Mark and Trade Name does not significantly affect my findings as to the likelihood of confusion between the Mark and the Opponent's Mark under the section 16(3)(a) ground of opposition. In other words, the Applicant's case under the section 16(3)(c) ground of opposition is not significantly stronger than under the section 16(3)(a) ground of opposition.

[101] Therefore, for reasons similar to those set out in my discussion of the likelihood of confusion between the Mark and the Opponent's Mark, I conclude that the Applicant has not discharged its legal onus to show, on a balance of probabilities, that there was no reasonable likelihood of confusion between the Mark and the Trade Name as of September 2, 2015.

[102] Accordingly, the section 16(3)(c) ground of opposition is successful with respect to the services listed at (2) in the application for the Mark.

Non-distinctiveness under section 2 of the Act

[103] The Opponent pleads that the Mark is not distinctive nor is it adapted to distinguish the Applicant's services from the services of the Opponent in that the Mark is likely to be confused with the Opponent's Mark and Trade Name.

[104] The material date for assessing the distinctiveness of the Mark is the filing date of the statement of opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185].

[105] In order for the Opponent to meet its initial burden, the evidence must show that either the Opponent's Mark or the Trade Name was sufficiently known in Canada on June 5, 2017 to negate the distinctiveness of the Mark [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FCTD)].

In this respect, it must be shown that the Opponent's Mark or Trade Name was known in Canada to some extent, having a "substantial, significant, or sufficient reputation", or else that it was well known in a specific area of Canada — in either case, there must be clear evidence of the extent to which the Opponent's Mark or Trade Name was known [*Bojangles, supra; Sadhu Singh Hamdard Trust v Navsun Holdings Ltd*, 2019 FCA 10].

[106] In my view, Mr. Baluta's lack of precision in providing evidence makes it difficult to determine whether TEMPERANCE CAPITAL would have become known as a trademark or trade name as of June 5, 2017. That said, based on a fair reading of Mr. Baluta's affidavit as a whole, I am willing to infer that the bulk of the evidence relates to the use and promotion of the Opponent's Mark in Canada in association with the Investment Services. Furthermore, given the very limited documentary evidence of use of the Trade Name, to consider the evidence with respect to the use and promotion of the Opponent's Mark will effectively decide whether the Opponent has met its initial burden under the section 2 ground of opposition.

[107] Although sufficient to show use of the Opponent's Mark since January 2015 in association with the Investment Services, for the reasons that follow, I find the evidence insufficient to show that the Opponent's Mark, on June 5, 2017, was sufficiently known in Canada in association with the Investment Services to negate the distinctiveness of the Mark.

[108] As discussed above, Mr. Baluta provides no information on the extent to which the Opponent's website has been accessed at any time whatsoever. Further, setting aside the fact that the marketing material provided as Exhibit "B" is undated, there is no information on the extent to which it has been distributed in Canada. Also, given the evidence with respect to brochures, advertisements and promotional items, or lack thereof, I am not willing to find that the promotional expenditures — greater than \$20,000 in 2016 and than \$5,000 in 2017 — have contributed to the making known of the Opponent's Mark in Canada [para 27 of the affidavit]. I would add that there is no certainty that the promotional expenditures for the year 2017 were incurred before June 5, 2017.

[109] In addition, in my view, a meaningful conclusion cannot be drawn from the mere fact the total amount of capital raised by Temperance Capital for the fiscal years 2015 to 2017 was greater than \$8,600,000 [para 25 of the affidavit]. Indeed, there is no information on the extent to

which Temperance Capital's Investor FAQ [Exhibit "C"] and "greensheets" [Exhibits "E" and "H"] have been circulated in Canada. Furthermore, none of the exhibited offering memorandum shows use of the Opponent's Mark, and there is also no information on the extent to which any offering memorandum has been circulated in Canada. In the end, without information on the number of potential investors and on the extent of their exposure to the Mark, I am left to speculate as to the significance of the capital raised in the making known of the Opponent's Mark in Canada. For example, the figure of \$8,600,000 could represent 800 investors each providing \$10,750 or only 8 investors each providing in excess of \$1 million.

[110] Likewise, I cannot draw a meaningful conclusion from the annual Canadian revenues shown as greater than \$50,000 for the fiscal year 2016, greater than \$500,000 for the fiscal year 2017 and projected to be greater than \$1,000,000 for the fiscal year 2018 [para 25 of the affidavit]. In that regard, absent an indication of which 12-month period is covered by Temperance Capital's fiscal year, it is impossible to determine what proportion of the annual revenues for the fiscal year 2017 predates June 5, 2017. For a similar reason, no significance can be afforded to the "projected" revenues for the fiscal year 2018. In addition, it is unclear what proportion of the annual revenues relates to the Investment Services. In this respect, although I have concluded that the evidence does not show use of the Opponent's Mark in association with the Consulting Advisory Services, it remains that the evidence was intended to address these services. Thus, since the Canadian revenues are introduced in evidence as relating to "services offered and sold under" the Opponent's Mark, it could be that part of the annual revenues relates to the Consulting Advisory Services.

[111] Even though media coverage may contribute to the making known of a trademark, in this case, the evidence of media coverage is of no assistance to the Opponent. Indeed, the evidence is limited to Mr. Baluta's statement of Canadian media coverage supported by one example of an article published in the Financial Post on January 30, 2015 [para 24 of the affidavit, Exhibit "L"].

[112] Finally, the evidence that Temperance Capital was awarded the Private Offering Award by the Private Capital Markets Association of Canada in 2017 is also of no assistance to the Opponent [para 18 of the affidavit, Exhibit "I"]. There is no clear evidence that the award predates June 5, 2017. In any event, even if I am willing to accept that the award may have

resulted in visibility for the Opponent's business, it is unclear how it would have resulted in visibility for the Opponent's Mark in association with investment fund services.

[113] Accordingly, the distinctiveness ground of opposition is dismissed in view of the Opponent's failure to meet its evidentiary burden.

DISPOSITION

[114] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act in respect of the following services:

(2) Financial advice and consultancy services, namely financial analysis consultation services; investment advice; investment consultancy; financial services, namely, wealth management services; insurance brokerage services; trust services, namely, investment and trust company services; financial information and advisory services, namely financial forecasting; financial investment brokerage services; financial management; financial portfolio analysis services; financial research and information services, namely financial analysis and research services; financial planning; corporate finance services, namely, consultation in the field of capital structure; corporate finance services, namely, consultation in the field of asset sales,

and I reject the opposition pursuant to section 38(12) of the Act in respect of the following services:

(1) Private equity fund investment services.

Céline Tremblay
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE No Hearing Held

AGENTS OF RECORD

Yuri Chumak

For the Opponent

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For the Applicant