



T-797-96

BETWEEN:

CANADA POST CORPORATION

Appellant

- and -

**WELCOME WAGON LTD. and THE REGISTRAR OF
TRADE-MARKS**

Respondents

REASONS FOR JUDGMENT

JEROME, A.C.J.:

This is an appeal from a decision of the Registrar of Trade-Marks which rejected the opposition brought by the appellant against the trade-mark application filed by the respondent Welcome Wagon Ltd..

On November 23, 1989, the respondent, Welcome Wagon Ltd., filed an application to register WAGON POST LTD. as a trade-mark, for use with "advertising distribution services, namely, the assembly and distribution of commercial advertising and promotional and educational materials". The application was based upon use in Canada since July of 1987. It was subsequently advertised for opposition purposes on September 12, 1990.

The appellant, Canada Post Corporation, filed a Statement of Opposition on September 28, 1990, setting out the following grounds of opposition:

- (a) the respondent's mark was not registrable as it was deceptively misdescriptive since the use of the term POST implied that the services would be performed by the applicant and its employees;
- (b) the applied for mark was confusing with a number of the appellant's own registered trade-marks;
- (c) the respondent's mark was contrary to section 58 of the *Canada Post Corporation Act*;
- (d) the applied for trade-mark was not registrable pursuant to paragraphs 9(1)(n)(iii) and 12(1)(e) of the *Trade-marks Act*;
- (e) the respondent was not entitled to registration because, as of its claimed date of first use, the mark was confusing with the appellant's trade-marks and trade name previously used in Canada by the appellant and its predecessor in title;
- (f) the applied for trade-mark was not registrable because it was likely to lead to the belief that the services in association with which it is used have received or are produced, sold or performed under governmental patronage, approval or authority;
- (g) the applied for mark was not distinctive but rather was calculated to give rise to confusion to enable the respondent to benefit from the goodwill of the appellant in its corporate name, trade-marks, official marks and trade names.

By decision dated February 7, 1996, the Hearing Officer, a member of the Trade-Marks Opposition Board acting on behalf of the Registrar of Trade-Marks, rejected Canada Post's opposition. In essence, the officer's reasons were that Canada Post had failed to adduce any evidence in support of its grounds of opposition.

Central to the decision are the following passages at pp. 7 - 8:

The most relevant of the opponent's registrations is No. 304,574 for the trade-mark PRIORITY POST for "rapid postal services." Thus, a consideration of the issue of confusion between that mark and the applicant's mark WAGON POST LTD. will effectively decide the outcome of the third ground.

As for Section 6(5)(a) of the Act, the opponent's mark is highly suggestive, if not descriptive, of "rapid postal services", namely postal services that will be given a priority treatment. Thus, the opponent's mark is inherently weak. There is no evidence of use of that mark and I must therefore conclude that it has not become known at all in Canada.

The applicant's mark WAGON POST LTD. is inherently distinctive in relation to the applied for services. It suggests a corporate entity named after a post or settlement where wagons stop. At the oral hearing, the applicant's agent submitted that the mark suggests a hitching post for a wagon but I think that is less likely. Even less likely in today's modern world is the submission by the opponent's agent that the mark suggests the delivery of mail by wagon. Thus, the applicant's mark has little connection with the applied for services. There being no evidence from the applicant, I must conclude that its mark also has not become known in Canada as of today's date.

The length of time the marks have been in use is not a material circumstance in the present case. The services of the parties would appear to be different. The trades of the parties would also appear to be different. Although it is conceivable that the applicant could use the opponent's services in performing its services, it is unlikely that

it would do so since it would presumably be too expensive to use rapid postal services to distribute advertising and promotional materials.

...

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the inherent weakness of the opponent's mark, the absence of any reputation for that mark and the differences between the services, trades and marks of the parties, I find that the applicant's mark WAGON POST LTD. is not confusing with the opponent's registered mark PRIORITY POST.

Canada Post now appeals from that decision on the grounds the Registrar erred in fact and in law in reaching his decision.

After carefully reviewing the impugned decision, and considering the evidence and submissions of the appellant, I am satisfied that the appeal should be allowed.

First, the respondent's trade-mark is confusing with several of the appellant's trade-marks and official marks. The use of Canada Post's trade-marks as described in the affidavit evidence is clearly extensive and of considerable magnitude. Canada Post has made widespread and longtime use of "POST" marks and names including the trade-marks CANADA POST, POST OFFICE, INTELPOST, MEDIAPOSTE, MAIL POSTE & DESIGN, POSTE MAIL & DESIGN, PRIORITY POST, POSTES PRIORITAIRES, PRIORITY POST COURIER, TELEPOST, ENVOYPOST, OMNIPOST, POSTE MAIL & DESIGN, TELEPOST, POSTE-LETTRE, and PRIORITY POST - POSTES PRIORITAIRES.

The Canadian public has, therefore, become accustomed to associating trade-marks and trade names incorporating the word "POST" with the appellant. Accordingly, it is likely that the public, upon seeing the respondent's trade-mark, which incorporates the word "POST" and which is to be used in association with postal-related services, would assume that the trade-mark and associated services have some connection with Canada Post.

Furthermore, given that all of the above-noted Canada Post trade-marks and trade names are interrelated by the ideas they suggest, broader protection should be accorded to these marks. I am confirmed in this view by the decision of this Court in *Canada Post Corp. v. Registrar of Trade Marks et al.* (1991), 40 C.P.R. (3d) 221, wherein Muldoon J. stated as follows at pp. 239-40:

The incidents of Parliament's special regard for, and statutory protection of Can. Post abound in the C.P.C.A. [the Canada Post Corporation Act] and are especially noticeable in the above-recited passages. The definitions, especially those of "mail", "mailable matter" and "transmit by post", virtually equate Can. Post with the notions of "mail or mailing" and "post or posting" of "any message, information, funds or goods which may be transmitted by post" .

...

In light of Can. Post's extraordinarily special status conferred by Parliament, the corporation cannot lawfully be prevented, on the TMOB's discretion under the rules, from evincing all of its enormous statutory importance in specific regard to Can. Post's marks and words of corporate identity, by refusing the amendments to its statement of opposition just as if Can. Post were an ordinary individual or corporation. Put another way, the law exacts that Can. Post be enabled to evince its special status regarding its corporate identity in order that the TMOB have fully for consideration Can. Post's exertion of its monopoly, status and identity in opposition to anyone and everyone who or which would seek to become the registered holder of trade marks similar to, or even suggesting those of Can. Post, for such marks fall under the ban of outlawry imposed by the specific and general provisions of the C.P.C.A.

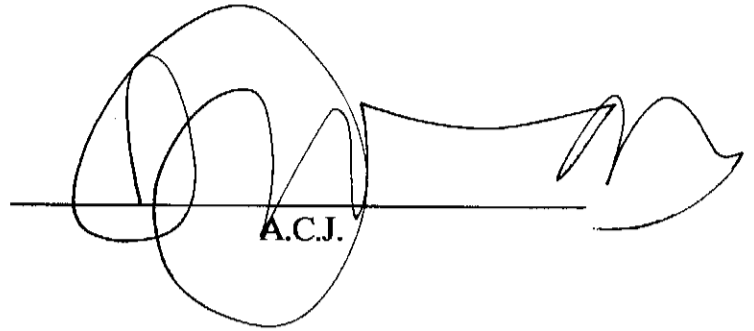
(emphasis added)

Finally, and contrary to the Registrar's finding, the appellant's official marks and trade names have a high degree of distinctiveness, both inherent and acquired. Inherent distinctiveness results in part from the appellant's statutory right as the exclusive provider of certain postal services in Canada. The appellant's operations so greatly affect the lives of the Canadian public and are so extensively used and advertised that Canada Post's trade-marks, official marks and trade names have become very well-known. The fact that the appellant and its "POST" marks are prominently displayed all over the country considerably diminishes any inherent distinctiveness the respondent's mark would otherwise have, especially in light of the fact that there is no evidence that the respondent has used its WAGON POST LTD. mark.

For these reasons, the appeal is allowed. No order as to costs.

OTTAWA

June 13, 1997



A.C.J.