

Federal Court
of Appeal



Cour d'appel
fédérale

Date: 20120221

Docket: A-75-11

Citation: 2012 FCA 60

**CORAM: BLAIS C.J.
NADON J.A.
DAWSON J.A.**

BETWEEN:

ONTARIO TEACHERS PENSION PLAN BOARD

Appellant

and

THE ATTORNEY GENERAL OF CANADA

Respondent

Heard at Toronto, Ontario, on October 24, 2011.

Judgment delivered at Ottawa, Ontario, on February 21, 2012.

REASONS FOR JUDGMENT BY:

NADON J.A.

CONCURRED IN BY:

**BLAIS C.J.
DAWSON J.A.**

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REASONS FOR JUDGMENT

NADON J.A.

[1] This is an appeal from a judgment of Mandamin J. of the Federal Court (the “Judge”), 2011 FC 58, dated January 18, 2011, wherein he dismissed the appellant’s appeal from a May 8, 2009 decision of the Registrar of Trade-marks (the “Registrar”) who determined that the trade-mark TEACHERS’ (the “trade-mark”) was unregistrable because it was clearly descriptive of the character of the appellant’s services. In so concluding, the Registrar relied on paragraphs 12(1)(b) and 37(1)(b) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the “Act”).

[2] The main issue raised by this appeal is whether the Judge erred in concluding that the trade-mark was clearly descriptive pursuant to paragraph 12(1)(b) of the Act.

The Facts

[3] The appellant is the Ontario Teachers' Pension Plan Board which administers the Ontario Teachers' Pension Plan, the largest single-profession pension plan in Canada. At the end of 2008, the appellant administered the pension benefits of Ontario's 173,000 elementary and secondary school teachers and 11,000 pensioners.

[4] On June 20, 2002, the appellant filed in the Canadian Intellectual Property Office application 1,144,430 to register the trade-mark in association with services described as the "[a]dministration of a pension plan, management and investment of a pension fund for teachers in Ontario".

[5] On April 29, 2003, the Registrar, acting through a Trade-marks Office examiner, informed the appellant that the trade-mark was unregistrable because it was "either clearly descriptive or deceptively misdescriptive of the character of the services in association with which it is intended to be used, since it clearly describes that it is a pension fund for teachers". In formulating that view, the examiner relied on paragraph 12(1)(b) of the Act.

[6] There followed, over a period of approximately six years, several exchanges of correspondence between the Registrar and the appellant which led the Registrar to conclude, on the basis of paragraphs 12(1)(b) and 37(1)(b) of the Act, that the trade-mark was not registrable. As a result, the Registrar rejected the appellant's application for registration of the trade-mark. More particularly, the Registrar was of the view that the trade-mark was clearly descriptive of the character of the pension plan administration services offered by the appellant and therefore was not registrable under the aforesaid provisions. In the Registrar's opinion, the trade-mark was "an apt trade term for describing the intrinsic character of the administration, management and investment of a plan/fund for teachers and, as such, should be left available for others to use, since descriptive words are the property of all and cannot be appropriated by one person for their exclusive use".

[7] On July 23, 2009, the appellant appealed the Registrar's decision to the Federal Court.

Relevant Legislation

[8] The following provisions of the Act are relevant for the purposes of determining this appeal:

12. (1) Subject to section 13, a trade-mark is registrable if it is not ...
 (b) whether depicted, written or sounded, either clearly descriptive or deceptively misdescriptive in the English or French language of the character or quality of the wares or services in association with which it is used or proposed to be used or of the conditions of or the persons employed

12. (1) Sous réserve de l'article 13, une marque de commerce est enregistrable sauf dans l'un ou l'autre des cas suivants :
 ...
 b) qu'elle soit sous forme graphique, écrite ou sonore, elle donne une description claire ou donne une description fautive et trompeuse, en langue française ou anglaise, de la nature ou de la qualité des

in their production or of their place of origin;

marchandises ou services en liaison avec lesquels elle est employée, ou à l'égard desquels on projette de l'employer, ou des conditions de leur production, ou des personnes qui les produisent, ou du lieu d'origine de ces marchandises ou services;

37. (1) The Registrar shall refuse an application for the registration of a trade-mark if he is satisfied that
(a) the application does not conform to the requirements of section 30,
(b) the trade-mark is not registrable, or
(c) the applicant is not the person entitled to registration of the trade-mark because it is confusing with another trade-mark for the registration of which an application is pending, and where the Registrar is not so satisfied, he shall cause the application to be advertised in the manner prescribed.

37. (1) Le registraire rejette une demande d'enregistrement d'une marque de commerce s'il est convaincu que, selon le cas :
a) la demande ne satisfait pas aux exigences de l'article 30;
b) la marque de commerce n'est pas enregistrable;
c) le requérant n'est pas la personne qui a droit à l'enregistrement de la marque de commerce parce que cette marque crée de la confusion avec une autre marque de commerce en vue de l'enregistrement de laquelle une demande est pendante.
Lorsque le registraire n'est pas ainsi convaincu, il fait annoncer la demande de la manière prescrite.

56. (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.

56. (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.

(2) An appeal under subsection (1) shall be made by way of notice of appeal filed with the Registrar and in the Federal Court.

(2) L'appel est interjeté au moyen d'un avis d'appel produit au bureau du registraire et à la Cour fédérale.

(3) The applicant shall, within the time

(3) L'appelant envoie, dans le délai

limited or allowed by subsection (1), send a copy of the notice by registered mail to the registered owner of any trade-mark that has been referred to by the Registrar in the decision complained of and to every other person who was entitled to notice of the decision.

(4) The Federal Court may direct that public notice of the hearing of an appeal under subsection (1) and of the matters at issue therein be given in such manner as it deems proper.

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

[Emphasis added]

établi ou accordé par le paragraphe (1), par courrier recommandé, une copie de l'avis au propriétaire inscrit de toute marque de commerce que le registraire a mentionnée dans la décision sur laquelle porte la plainte et à toute autre personne qui avait droit à un avis de cette décision.

(4) Le tribunal peut ordonner qu'un avis public de l'audition de l'appel et des matières en litige dans cet appel soit donné de la manière qu'il juge opportune.

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

[Non souligné dans l'original]

The Decision of the Federal Court

[9] The Judge dismissed the appellant's appeal of the Registrar's decision on January 18, 2011. In his view, the Registrar did not err in concluding that the proposed trade-mark TEACHERS' was unregistrable pursuant to paragraphs 12(1)(b) and 37(1)(b) of the Act.

[10] First, the Judge addressed the standard of review. After indicating that the appeal before him was one commenced pursuant to subsection 56(2) of the Act, he pointed out that subsection 56(5) allowed the parties to adduce "evidence in addition to that adduced before the Registrar" and that, as a result of this evidence, the Federal Court could exercise "any discretion vested in the Registrar".

[11] The Judge then stated that where the evidence submitted was significant and substantial, the Court was entitled to proceed by way of a fresh hearing. In support of that proposition, he relied on this Court's decision in *Molson Breweries v. John Labatt Ltd.*, [2000] 3 F.C. 145 ("*Molson (FCA)*") and on that of the Supreme Court of Canada in *Mattel Inc. v. 3894207 Canada Inc.*, 2006 SCC 22, [2006] 1 S.C.R. 772. He also relied on the decision of the Federal Court rendered by our colleague Mainville J. (as he then was) in *Advance Magazine Publishers Inc. v. Wise Gourmet*, 2009 FC 1208, (2009) 356 F.T.R. 270.

[12] After noting that the issue in these cases pertained to the likelihood of confusion between trade-marks, the Judge opined, at paragraph 17 of his Reasons, that "the same approach is appropriate to the question of appeal on whether a trade-mark is a clearly descriptive mark as contemplated in paragraph 12(1)(b) of the Act". The Judge so held because of his view that both the issue of confusion and the issue before him on the appeal required a consideration and interpretation of the trade-mark, an assessment of the public impression created by the trade-mark and of "its effect on other enterprises in the same or related areas of commerce".

[13] The Judge then turned to the evidence adduced by the appellant in the proceedings before him and noted that although the appellant had, for all intents and purposes, adduced no evidence before the Registrar, it had filed in the Federal Court three volumes of evidence containing two substantial affidavits in support of its appeal.

[14] The first affidavit, that of Elenita Anastacio, an experienced trade-mark searcher, was filed for the purpose of providing examples of trade-marks which, although descriptive of the group targeted but not of the services offered, were accepted for registration. Further, Ms. Anastacio's affidavit provided a list of trade-marks which were advertised, opposed, rejected, expunged, allowed and registered in association with pension fund and pension plan services. It also provided a list of trade-marks associated with benefit plans and retirement plans. Lastly, the affidavit provided dictionary definitions for the words "teacher" and "professor".

[15] The second affidavit, that of Deborah Allan, the appellant's Director of Communications and Media Relations, was filed to show the use of the trade-mark in the appellant's public communications, including press releases and annual reports. Thus, the affidavit demonstrated that many Canadians had been exposed to the use of the trade-mark.

[16] After a review of this evidence, the Judge concluded that "it does have sufficient bearing on the question of whether or not the trade-mark in question, TEACHERS', is clearly descriptive or misdescriptive as contemplated in paragraph 12(1)(b) of the Act", adding that whether the evidence was determinative or not of the issue, it did require "consideration anew of the application of paragraph 12(1)(b) of the Act" (Judge's Reasons, para. 27). As a result, the Judge was of the view that the appeal should be determined on the basis of all of the evidence submitted by the appellant. Hence, there was no need for him to either identify any error made by the Registrar or to defer to her decision.

[17] After setting out the appellant's submissions on the appeal, the Judge made the following determinations. First, relying on the statement made by Cattanach J. in *The Molson Companies Ltd. v. Carling O'Keefe Breweries of Canada Ltd. and Registrar of Trade-marks*, [1982] 1 F.C. 275 at para. 30 ("*Molson (FC)*") that a trade-mark should not be considered in isolation, but rather in the context of the wares or services with which it was used or proposed to be used, he found that the trade-mark had to be considered in the context of the Ontario Teachers' Pension Plan which required the appellant to manage and invest a pension fund for Ontario teachers. The Judge made the following remarks at paragraph 39 of his Reasons:

[39] The applicant is the Ontario Teachers' Pension Plan Board. Its staff is the financial managers who administer, manage and invest a very large pension fund, the pension fund of Ontario teachers. The Ontario teachers may be described as the possible end consumers of the financial services provided by the financial managers of the Ontario Teachers' Pension Plan Board. The teachers of Ontario, working or retired, may also be described as the beneficial owners of the pension fund itself. In addition, the various enterprises which seek to have the pension funds invested in their ventures may also be described as possible consumers.

[18] The Judge then indicated that he agreed with the appellant's submission that the trade-mark did not clearly describe the services with which it was associated and that it did not describe the conditions of or the persons employed in the production of the services or their place of origin, adding that the use of the phrase "wares or services" found in paragraph 12(1)(b) of the Act required "consideration of something more than just services" (Judge's Reasons, para. 42). In his view, the pension plan administered by the appellant came within the broader subject matter covered by the words "wares or services". The Judge then opined that the words "wares or services" were intended to include commercial financial funds in the broad area of commerce covered by the Act.

[19] He then turned to the words “character or quality of the wares or services” found in paragraph 12(1)(b) of the Act and indicated that those words were meant to describe a distinguishing or prominent feature of the wares or services offered in association with the trade-mark. For this proposition, the Judge relied, *inter alia*, on the Reasons of Tremblay-Lamer J. in *ITV Technologies Inc. v. WIC Television*, 2003 FC 1056, where she stated at paragraph 67 that “[t]he descriptive character [of the trade-mark] must go to the material composition of the goods or services or refer to an obvious intrinsic quality of the goods or services which are the subject of the trade mark, such as a feature, trait or characteristic belonging to the product in itself”. This led the Judge to reason that a trade-mark which “clearly describes a prominent characteristic of the wares of services will come within the prohibition against registration in paragraph 12(1)(b)” (Judge’s Reasons, para. 47).

[20] The Judge then made the statement that common sense, in addition to the evidence adduced, had to be considered in determining the validity of a trade-mark, adding that the determination should “be based on the initial impression, having regard to the wares or services in question” (Judge’s Reasons, para. 48). For this proposition, he relied on the view expressed by Martineau J. in *Neptune S.A. v. Canada (Attorney General)*, 2003 FCT 715.

[21] The Judge then stated that when one thought of a pension plan, one was probably more likely to think of the pensioner or prospective pensioner than of those who administer or manage the plan. In the Judge’s words, “one would more readily think of whom the pension plan is for, in this case the teachers, rather than who the pension fund is administered by, the financial managers”

(Judge's Reasons, para. 49). This led him to state that Ontario teachers, the beneficiaries of the plan or, again in his words, "the possible end consumers of the services it provides" would, on first impression, form the view that the trade-mark was a description of their pension plan. Thus, since the word TEACHERS' described a prominent characteristic of the pension fund for Ontario teachers, it was clearly descriptive under paragraph 12(1)(b) of the Act, notwithstanding the fact that it did not describe the administration, management or investment of the pension funds in question.

[22] In his concluding remarks, the Judge opined that providing the appellant with a monopoly on the use of the common word TEACHERS' "would prevent other pension or financial services targeted to or belonging to teachers within Ontario or in other provinces or territories from using the term" (Judge's Reasons, para. 53). In the Judge's view, the word TEACHERS' was one that should be left available for the use of others.

[23] For those reasons, the Judge concluded that the Registrar had not erred in concluding that the trade-mark was unregistrable pursuant to paragraph 12(1)(b) of the Act and, as a result, he dismissed the appeal. He made no order as to costs in favour of the Attorney General of Canada, the respondent in the proceedings, because "[t]he respondent has not responded on behalf of the Registrar to oppose this appeal and has not incurred costs in this regard" (Judge's Reasons, para. 57).

The Appellant's Submissions

[24] The appellant makes three submissions as to why we should allow its appeal. First, it says that the judgment is internally inconsistent in that as a result of the finding at paragraph 41 of his Reasons that the trade-mark “does not clearly describe the services provided”, the Judge ought to have allowed the appeal from the Registrar’s decision. More particularly, the appellant argues that the trade-mark does not clearly describe the services it offers, nor does it, as a matter of first impression, plainly or evidently describe its services to the average consumer.

[25] Second, the appellant argues that the Judge’s concern that the registration of the trade-mark would provide it with a monopoly over the use of the word TEACHERS’ was unsupported by the evidence and, in any event, misguided in that it cannot be said with certainty that the registration of the trade-mark would prevent other financial services providers from using the word TEACHERS’.

[26] Lastly, the appellant submits that its application for registration of the trade-mark should be approved for publication in the *Trade-marks Journal* for opposition purposes, as the Trade-mark Opposition Board is the proper forum wherein monopoly issues are to be debated and adjudicated.

Analysis

[27] I begin with a few words concerning the applicable standard of review. The matter before us is an appeal from a judgment of the Federal Court upholding a decision of the Registrar. Hence, the standards enunciated by the Supreme Court of Canada in *Housen v. Nikolaisen*, 2002 SCC 33, [2002] 2 S.C.R. 235, are applicable. Questions of law will be subject to the standard of correctness,

while questions of fact and of mixed law will be subject to the standard of palpable and overriding error, except where there exists an extricable question of law, in which case the standard will be that of correctness.

[28] I am satisfied that there is no basis to interfere with the Judge's determination that on the basis of the evidence adduced before him he was entitled to reach his own conclusion with respect to the correctness of the Registrar's decision. The appellant does not challenge that part of the Judge's decision and I therefore move on to the principles relevant to the ultimate determination which must be made in this appeal, i.e. whether the Judge erred in concluding that the trade-mark was clearly descriptive of the character of the services in association with which the appellant uses the trade-mark.

[29] It is trite law that the proper test for a determination of whether a trade-mark is clearly descriptive is one of first impression in the mind of a normal or reasonable person. If such a person is unclear or uncertain as to the significance of the trade-mark in relation to the wares or services or if the trade-mark is suggestive of a meaning other than one describing the wares or services, then the word is not clearly descriptive. One should not arrive at a determination of the issue by critically analyzing the words of the trade-mark, but rather by attempting to ascertain the immediate impression created by the trade-mark in association with the wares or services with which it is used or proposed to be used. In other words, the trade-mark must not be considered in isolation, but rather in its full context in conjunction with the wares and services. In determining whether a trade-mark is clearly descriptive, one must also remember that the word "clearly" found in paragraph

12(1)(b) of the Act is there to convey the idea that it must be self-evident, plain or manifest, that the trade-mark is descriptive of the wares or services (see: *Hughes on Trade-marks*, 2d ed, loose-leaf (consulted on February 7, 2012), (Markham: LexisNexis, 2005), pp. 629-631 at para. 30; Milan Chromecek and Stuart C. McCormack, *World Intellectual Property Guidebook Canada*, (New York: Matthew Bender & Co. Inc.1991) at pp. 6-61 to 6-68; see also *Drackett Co. of Canada Ltd. v. American Home Products Corp.* (1968), 55 C.P.R. 29 at pp. 33-34 (Ex.Ct.) (“*Drackett*”); and *Molson* (FCA) at para. 30). Finally, the word “character” found at paragraph 12(1)(b) has been defined by the case law to mean a feature, trait or characteristic belonging to the wares or services (see *Drackett* at 34; *G.W.G. Ltd. v. Registrar of Trade-marks* (1981), 55 C.P.R. 2d 1 at 6; *Assoc’n of Professional Engineers of Ontario v. Registrar of Trade-marks* (1959), 31 C.P.R. 79 at 88).

[30] There can be no doubt, in my opinion, that the Judge properly understood the relevant test and applicable principles. Consequently, the only question is whether he erred in the application of the test and principles to the facts before him.

[31] I now turn to the appellant’s criticism of the Judge’s decision. More particularly, I will now address the specific grounds put forward by the appellant in seeking reversal of the Judge’s decision. I begin with the second and third submissions which can easily be disposed of.

[32] The appellant’s third submission is that the Registrar ought to have approved the application for publication and let the matter be argued before the Trade-mark Opposition Board. In my view, this argument is without merit.

[33] It is clear from a reading of paragraphs 12(1)(b) and 37(1)(b) of the Act that the Registrar must refuse an application “if he is satisfied that ... the trade-mark is not registrable”. Thus, if the Registrar is of the view that the trade-mark at issue is clearly descriptive of the character or quality of the wares or services in association with which it is used or proposed to be used, he must refuse registration. In *Canada (Attorney General) v. Effigi Inc.*, 2005 FCA 172, our Court made it clear that section 37 of the Act was a complete code for the review of applications for registration. It expressed that view in the following terms at paragraph 9:

[9] ... Section 37 is a complete code that governs the procedure on review of an application for registration. The Registrar is vested with considerable authority, the power to summarily refuse an application for registration. Parliament in its wisdom has put some limits on this authority, restricting it to cases where there is a breach of the requirements - more procedural than substantial - of section 30, where the mark is "not registrable" (an implicit reference to section 12) and where it is not entitled to registration, not for the reasons already set out in section 16 but solely because it is confusing with a mark that is the subject matter of a pending application. If Parliament had intended that the confusion contemplated in paragraph 37(1)(c) could also result from previous use, it could easily have repeated the language of paragraph 16(3)(c).

[34] Consequently, the Registrar has no discretion to advertise a trade-mark if he is satisfied that it is not registrable. Thus, whether it would be more appropriate, as the appellant suggests, to have the Trade-mark Opposition Board consider the issue of the registrability of the trade-mark is an irrelevant consideration, since Parliament has clearly spoken and the Registrar cannot defer the matter to the Trade-mark Opposition Board if he is satisfied that the trade-mark is not registrable.

[35] Paragraph 37(1)(c) of the Act provides that where the Registrar is not satisfied that the trade-mark is not registrable, he must “cause the application to be advertised in the manner prescribed”.

Thus, this provision suggests, in my view, that in borderline cases the matter should be resolved in favour of the applicant for registration. However, in exercising his/her jurisdiction, the Registrar must always keep in mind the principled reason why clearly descriptive trade-marks should not be registered. The principle was enunciated by the Privy Council in *Eastman Photographic Materials Co. Ltd. v. Comptroller-General of Patents, Designs and Trade-marks*, [1898] A.C. 571, where their Lordships at page 580 made the following remarks:

... Under (e) any word in the English language may serve as a trade-mark – the commonest word in the language might be employed. In these circumstances it would obviously have been out of the question to permit a person by registering a trade-mark in respect of a particular class of goods to obtain a monopoly of the use of a word having reference to the character or quality of those goods. The vocabulary of the English language is common property: it belongs alike to all; and no one ought to be permitted to prevent the other members of the community from using for purposes of description a word which has reference to the character or quality of goods.

If, then, the use of every word in the language was to be permitted as a trade-mark, it was surely essential to prevent its use as a trade-mark where such use would deprive the rest of the community of the right which they possessed to employ that word for the purpose of describing the character or quality of goods. But with regard to words which are truly invented words - words newly coined - which have never theretofore been used, the case is, as it seems to me, altogether different; and the reasons which required the insertion of the condition are altogether wanting. If a man has really invented a word to serve as his trade-mark, what harm is done, what wrong is inflicted, if others be prevented from employing it, and its use is limited in relation to any class or classes of goods to the inventor? So far, then, from seeing no reason for a distinction between the particulars designated in (d) and (e), there seems to me abundant reasons for not interpolating in (d) words which the Legislature has used only in relation to (e).

[36] I now turn to the appellant's second submission, which is that there is no evidence in the record to support the view that registration of the trade-mark would provide the appellant with a monopoly over the use of the word TEACHERS' and that it cannot be said, with any degree of certainty, that the registration of the trade-mark would prevent other financial services providers from using the word TEACHERS'.

[37] I am also of the view that this argument is without merit. In considering an application for registration of a trade-mark under paragraph 37(1) of the Act, the Registrar must consider paragraph 12(1)(b) which aims to prevent traders from obtaining a monopoly over words that belong "in the public stock of commonplace words that should remain available to all traders in describing their wares or services" (see Gerald O.S. Oyen, *Clearly Descriptive Trade-marks – Drawing the Line in the Wake of the Off! Decision*, 65 C.P.R. 193 at 217 ("Oyen")). In other words, the monopoly issue is a consequence of allowing the registration of a clearly descriptive trade-mark. Thus, if registration of a trade-mark used in association with a trader's wares or services were to result in the removal from the public stock of commonplace words of a word "which is apt or would ordinarily be used by traders to describe the particular goods or services, and thus remove the right of other traders in the normal carrying-on of their business to employ the same or similar words" (Oyen, at p. 243), then the mark is clearly descriptive. This idea was expressed by Rand J. when he said in his Reasons for the Supreme Court in *General Motors Corp. v. Bellows*, [1949] S.C.R.678 at p. 688, (1949) 10 C.P.R. 101 (at pp. 112-113) ("*General Motors*"), that:

The first question is, then, whether the word "Frigidaire" was properly placed on the register in 1933. The rule quoted illustrates the conflict early recognized by the courts before the subject matter came under legislation, i.e. between the

appropriation by a trader of a word within the range of language that would ordinarily be used by traders to describe particular goods, and the right of other traders in the normal carrying on of their business to employ the same or similar words. In the technique of advertising, the more complex and expensive the goods are, the greater the imaginative seeking by those producing them for attractive and arresting words; but in fixing the limits of legislative protection the courts must balance the conflicting interests and avoid placing legitimate competition at an undue disadvantage in relation to language that is common to all.

[38] Consequently, whether there is any degree of certainty that the registration of the trade-mark would prevent others from using the word TEACHERS' or whether the appellant would have a monopoly over the word TEACHERS', should registration of its trade-mark be granted, are beside the point. The real question is whether the word TEACHERS' is clearly descriptive or not of the appellant's services.

[39] I therefore turn to the appellant's first submission which goes to the heart of this appeal. The appellant says that the word TEACHERS' does not clearly describe the services in association with which it uses the trade-mark. In the appellant's view, the word TEACHERS' does not, as a matter of first impression, plainly or evidently describe the appellant's services to the average consumer, adding that the Judge was mistaken in considering that the trade-mark's reference to the beneficiary of the services was such as to render the trade-mark clearly restrictive under paragraph 12(1)(b) of the Act.

[40] The Registrar refused to register the appellant's trade-mark because of her view that the word TEACHERS' was "an apt trade term for describing the intrinsic character of the

administration, management and investment of a plan/fund for teachers and, as such, should be left for others to use since descriptive words are the property of all and cannot be appropriated by one person for their exclusive use". For this view, she referred the appellant to the Supreme Court's decision in *General Motors*.

[41] In dismissing the appellant's appeal from the Registrar's decision, the Judge also came to the view that the trade-mark was clearly descriptive of the appellant's services. In his view, the first impression created by the trade-mark in association with the appellant's services, i.e. the "administration of a pension plan, management and investment of a pension for teachers in Ontario", was that the trade-mark described a prominent characteristic of a pension fund for teachers and, therefore, fell under the ambit of paragraph 12(1)(b) of the Act. Hence, the trade-mark was clearly descriptive, although it did not "describe the administration, management and investment of the pension fund in question" (Judge's Reasons, para. 50).

[42] I now turn to the appellant's submission that the judgment is internally inconsistent because of the Judge's declaration, at paragraph 41 of his Reasons, that the word TEACHERS' did not clearly describe the services provided by the appellant. While it is true the Judge, at paragraph 41 of his Reasons, stated that he agreed with the appellant that the word TEACHERS' did not clearly describe the services offered by the appellant, it cannot be said, as the appellant suggests, that this should have led the Judge to allow its appeal. When the Judge's statement is read with the paragraphs of his Reasons that follow, it becomes clear that he was not finding that the trade-mark was not "clearly descriptive" within the meaning of the Act.

[43] Indeed, in the paragraphs following paragraph 41 of his Reasons, the Judge dealt with the question of whether the word TEACHERS' was clearly descriptive of the character or quality of the services in association with which the trade-mark was used. In other words, his examination of the word TEACHERS' related to the administration of a pension plan or pension fund led him to the conclusion that it clearly described the character of the services, i.e. a distinguishing or prominent feature of those services, thus preventing the trade-mark from becoming registrable.

[44] Thus, the question which arises is what impression the word TEACHERS', understood in its proper context, would make in the mind of a normal or reasonable person. In my view, such a person would readily understand that the appellant administers a pension plan for teachers and provides management and investment services for a pension fund for those teachers. In other words, when one looks at the word TEACHERS' as it is used in association with the appellant's services, the conclusion which would clearly come to the mind of the reasonable person is, in my respectful opinion, that the pension plan is that of teachers and that the management and investment services offered in regard to the pension fund are management and investment services for the exclusive benefit of teachers.

[45] Thus, a reasonable person requires neither effort nor imagination to conclude that the appellant's trade-mark clearly describes the character of the services that it offers. There is no element of incongruity present. The qualities of the appellant's services are instantly apparent and no multiple-step reasoning is necessary for the reasonable person to determine what service

characteristics or qualities the trade-mark suggests. From that perspective, it cannot be argued that the trade-mark is in any way suggestive, nor does the appellant make any such argument. In other words, the only possible meaning of the word TEACHERS', when used in association with the appellant's services, is one that is plain, self-evident or manifest. Although Oyen, at page 225 of his article, makes the point that drawing the line between descriptive and clearly descriptive trade-marks, as the dividing lines between the colours in a spectrum, is not always easy, that is not the case in the present matter. The dividing line here is not difficult to draw, as it is readily apparent when one considers the trade-mark in its proper context with the services offered by the appellant.

[46] I am satisfied that the word TEACHERS', which clearly describes those whose pension plan the appellant administers and in whose benefit the management and investment services of the pension fund are rendered, describes a highly prominent feature, trait or characteristic belonging to the appellant's services.

[47] Thus, I am satisfied that the word TEACHERS' clearly describes an inherent or intrinsic character or quality of the appellant's wares. Hence, I have not been persuaded that the Judge erred in law or that he misapplied the applicable test to the facts before him. Thus, whether the applicable test be that of correctness or that of palpable and overriding error, I see no basis to interfere with his conclusion that the Registrar "was correct to find the trade-mark TEACHERS' is unregistrable pursuant to paragraph 12(1)(b) of the Act" (Judge's Reasons, para. 54).

Disposition

[48] For these reasons, I would dismiss the appeal. As the respondent does not seek costs, I would not allow any.

“M. Nadon”

J.A.

“I agree.

Pierre Blais C.J.”

“I agree.

Eleanor R. Dawson J.A.”

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

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CONCURRED IN BY: BLAIS C.J.
DAWSON J.A.

DATED: February 21, 2012

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