

IN THE MATTER OF AN OPPOSITION by NOW COMMUNICATIONS INC. to application No. 734,554 for the trade-mark NEWS NOW filed by SOUTH WESTERN ONTARIO BROADCASTING INCORPORATED, and now standing in the name of CHUM LIMITED

On August 11, 1993, the applicant, SOUTH WESTERN ONTARIO BROADCASTING INCORPORATED, filed an application to register the trade-mark NEWS NOW based on proposed use of the trade-mark in Canada in association with “Videotape recordings, cassettes and films of television programs” and in association with the following services:

“Educational and entertainment services, namely the production, broadcast, transmission and distribution of television programming; and the operation of television news gathering organizations and television stations”.

The applicant disclaimed the right to the exclusive use of the word NEWS apart from its trade-mark.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of March 20, 1996 and the opponent, NOW COMMUNICATIONS INC., filed a statement of opposition on July 31, 1996, a copy of which was forwarded to the applicant on August 12, 1996. The applicant served and filed a counter statement in response to the statement of opposition on September 9, 1996. The opponent filed as its evidence the affidavit of Michael Hollett while the applicant submitted as its evidence the affidavit of George Clark. The applicant alone filed a written argument and neither party requested an oral hearing. During the opposition proceeding, the applicant amalgamated with three other companies to become BBS ONTARIO INCORPORATED and BBS ONTARIO INCORPORATED further amalgamated with four other companies, the name of the amalgamated company being BBS INCORPORATED. Finally, BBS INCORPORATED assigned its rights in the present application to CHUM LIMITED, the current applicant of record.

The first ground of opposition is based on Subsection 30(i) of the *Trade-marks Act*, the opponent alleging that the applicant could not have been satisfied that it is entitled to use the trade-mark NEWS NOW in Canada in association with the wares and services covered in the present application in view of the previous use of the opponent’s trade-marks NOW and NOW & Design. While the legal burden is on the applicant to show that its application complies with Section 30 of the *Trade-marks Act*, there is an initial evidential burden on the opponent to adduce sufficient

admissible evidence which, if believed, would support the truth of the allegations relating to the Section 30 ground [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp.329-330]. To meet the evidential burden upon it in relation to a particular issue, the opponent must adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support that issue exist [see *John Labatt Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293, at p.298]. Further, the material time for considering the circumstances respecting the issue of non-compliance with Section 30 of the *Act* is the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R.(3d) 469, at p.475].

No evidence has been furnished by the opponent to show that the applicant could not have been satisfied that it was entitled to use the trade-mark NEWS NOW in Canada. Moreover, to the extent that the Subsection 30(i) ground is founded upon allegations set forth in the remaining grounds of opposition, the success of the Subsection 30(i) ground is contingent upon a finding that the applicant's trade-mark NEWS NOW is not registrable or not distinctive, or that the applicant is not the person entitled to its registration, as alleged in those grounds [see *Consumer Distributing Co. Ltd. v. Toy World Ltd.*, 30 C.P.R. (3d) 191, at p.195; and *Sapodilla Co. Ltd. v. Bristol-Myers Co.*, 15 C.P.R. (2d) 152, at p.155]. Thus, the determination of the remaining grounds will effectively decide the Subsection 30(i) ground of opposition.

The second ground of opposition is based on Paragraph 12(1)(d) of the *Trade-marks Act*, the opponent asserting that the applicant's trade-mark is not registrable in that the mark NEWS NOW is confusing with its registered trade-marks NOW and NOW & Design, registration Nos. 432,886, 437,726 and 438,137. In assessing whether there would be a reasonable likelihood of confusion between the trade-marks at issue within the scope of Subsection 6(2) of the *Trade-marks Act*, the Registrar must have regard to all the surrounding circumstances including, but not limited to, those which are specifically enumerated in Subsection 6(5) of the *Act*. Further, the Registrar must bear in mind that the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks at issue as of the date of my decision, the material date in relation to the Paragraph 12(1)(d) ground [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d)

413 (F.C.A.)].

The opponent submitted copies of its registrations as part of its evidence in this opposition. The registered trade-marks NOW, registration No. 432,886, NOW & Design, registration No. 437,726 and NOW & Design, registration No.438,137, all cover the following wares:

“Newspapers, periodical publications, magazines. T-shirt, coffee mug, baseball cap, sweatshirt, watch, keychain, leather jacket, hockey puck, pen, beer stein, note pad”

as well as the following services:

“Publication of newspapers, periodical publications and magazines.”

Representations of the opponent’s design marks are set out below.



In his affidavit, Michael Hollett, President of the opponent, states that his company commenced use of its trade-marks identified above in August 1981 and, in support of the opponent’s alleged use of its trade-marks, Mr. Hollett has annexed to his affidavit copies of the cover and masthead of NOW magazine from September 10, 1981 and July 29, 1993. According to the affiant, NOW magazine is published weekly and is distributed through newspaper boxes throughout Metropolitan Toronto, as well as through retail stores, restaurants, bars and other places of entertainment. Mr. Hollett also states that almost all distribution of the magazine is free, the opponent relying upon revenue from advertising to support its magazine. Further, the masthead for NOW magazine of July 29, 1993 identifies that edition as consisting of 96 pages including three pages of letters to the editor, fifteen pages of news articles and seventy pages of stories and reviews relating to entertainment and advertisements.

The applicant has submitted in its written argument that the free distribution by the opponent of its NOW magazine does not qualify as use of the opponent’s trade-marks in association with a

magazine. Initially, I would note that the validity of the opponent's registrations are not at issue in this proceeding and therefore this issue is of limited relevance to the Paragraph 12(1)(d) ground. On the other hand, the question of the opponent's use of its trade-marks in association with a magazine is certainly of relevance to the non-entitlement and non-distinctiveness grounds.

In *Royal Bank of Canada/Banque Royale Du Canada v. Registrar of Trade Marks et al.*, 63 C.P.R. (3d) 322, Dubé, J. commented as follows at page 327 concerning the issue of "use" of a trade-mark in association with the free distribution of a publication:

"The only evidence of use of the INFORMATION trade mark before November 12, 1991, was a bulletin circulated within the Royal Bank's organization and an application of the mark as a letterhead on blank stationary. It is not good enough to declare that the trade mark has been used "in the normal course of trade". The affiant must explain what is the normal course of trade and show how the trade mark was used therein.

On that score, the evidence is thin and vague as there is no indication as to how the trade mark was linked to wares being sold or transferred: *Professional Gardener Co. v. Registrar of Trade Marks* (1985), 5 C.P.R. (3d) 568 at pp. 571-2, 5 C.I.P.R. 314 (F.C.T.D.) (per Strayer J.). The word "trade" contemplates some payment or exchange for the wares supplied or at least that the transfer of the wares was part of a deal. The only evidence is of the trade mark being associated with internal communications or, at best, free leaflets at one time available to some customers: *Renaud Cointreau & Cie v. Cordon Bleu International Ltd.* (1993), 52 C.P.R. (3d) 284 (T.M. Opp. Bd.) at p. 287. In short, there is no evidence that the wares covered by the trade mark INFORMATION were ever manufactured, sold or leased for the purpose of distinguishing the Royal Bank's wares from others on the market-place."

The *Royal Bank* decision is arguably distinguishable from the present case in that Mr. Justice Dubé was considering the circulation of a bulletin internally by the Royal Bank whereas NOW magazine is distributed by the opponent to the public with the view to gaining profit from the sale of advertising space in its magazine. As a result, the opponent's free distribution of its magazine in association with its trade-marks NOW and NOW & Design may qualify as trade-mark use within the scope of Subsection 4(1) of the *Trade-marks Act*. Moreover, the opponent would appear to be providing a form of advertising service in association with its marks by selling advertising space in its magazine although the opponent has not relied upon such services in its statement of opposition.

The applicant has submitted the affidavit of George Clark, Director of News and Information at television stations CFPL-TV in London, Ontario and CKNX-TV in Wingham, Ontario and CHWI-TV in Windsor, Ontario. Mr. Clark states that he has held the position of News Director with the

television stations since the spring of 1985 and that he has extensive experience and knowledge about the applicant's television stations' business and is aware of their daily operations. According to Mr. Clark, the television stations' newscasts were changed in September 1993 to reflect a major capital investment which had been made to provide the television stations with leading-edge technology in "live" on location reporting through the use of microwave trucks and an extensive two-way microwave network between London, Wingham and Windsor, the trade-mark NEWS NOW being used for the newly designed newscasts. Annexed as exhibits to the Clark affidavit are photographs of outdoor billboards promoting the launch of the NEWS NOW broadcasts, a newspaper article from the October 2, 1993 issue of *The London Free Press* reporting on the trade-mark NEWS NOW as used by CFPL-TV, CKNX-TV and CHWI-TV, and print advertisements promoting the NEWS NOW broadcasts which appeared in *The Windsor Star*, the *Chatham Daily News* and *The London Free Press*, as well as in programmes for a London International Air Show and a Dreams on Ice Live Skating Show.

Mr. Clark also states that the three television stations use the mark NEWS NOW as an on-air trade-mark by displaying it prominently on the sets during the newscasts and all the stations' reporters "bear microphone flashes bearing the trade-mark NEWS NOW which are seen continuously through the forty-nine weekly news telecasts on the three stations". Further, according to Mr. Clark, "twenty-seven news vehicles which cover the broadcast area in southwestern Ontario are all clearly identified with the trade-mark NEWS NOW". A detailed program trending analysis showing viewer statistics for the three stations is set out in paragraph 12 of the Clark affidavit, Mr Clark stating that, in his opinion as an expert in the television broadcasting business, the figures set out in the analysis are an accurate reflection of viewer awareness of the trade-mark NEWS NOW. The figures show that there were a total of 80,700 viewers of NEWS NOW broadcasts for CFPL-TV, CKNX-TV and CHWI-TV combined during the spring of 1997.

Mr. Clark's qualifications establish that he is knowledgeable in the operation of the applicant's three television stations. However, I disagree with the applicant's submission that Mr. Clark has qualified himself as being an expert in the Canadian television broadcasting business in general. Further, in addition to not being an independent witness in these proceedings, Mr. Clark

has not been shown to be an expert in human behavior and is therefore not qualified to render an opinion that the public would not be confused by the trade-marks at issue. Also, the likelihood of confusion between the trade-marks of the parties is the ultimate issue for determination by the Registrar in this opposition and, even if opinion evidence on the ultimate issue were considered admissible, I would not accord it any weight.

As noted above, in assessing the issue of confusion, the Registrar must have regard to all the surrounding circumstances including those enumerated in Subsection 6(5) of the *Trade-marks Act*. With respect to Paragraph 6(5)(a) of the *Act*, the applicant's trade-mark NEWS NOW is highly suggestive when applied to its broadcast services and is suggestive when applied to the wares covered in the present application. As a result, the applicant's mark possesses relatively little inherent distinctiveness. On the other hand, the opponent's registered trade-marks NOW and NOW & Design are inherently distinctive when applied to the opponent's T-shirt, coffee mug, baseball cap, sweatshirt, watch, keychain, leather jacket, hockey puck, pen, beer stein, note pad" and possess some measure of inherent distinctiveness when applied to its "Newspapers, periodical publications, magazines" and to the "Publication of newspapers, periodical publications and magazines."

Considering next the extent to which the trade-marks at issue have become known [Para. 6(5)(a)], the opponent has since 1981 applied its registered trade-marks to a magazine which it publishes weekly and distributes free throughout Metropolitan Toronto. Regardless of whether the opponent has used its trade-marks in association with a magazine within the scope of Subsection 4(1) of the *Act*, the opponent's free distribution of more than 94,000 copies weekly of its NOW magazine has resulted in the opponent's marks having become known to some extent in the Metropolitan Toronto area. Further, the applicant's evidence establishes that its trade-mark also has become known in Canada in that the trade-mark NEWS NOW has been featured during forty-nine news telecasts each week over three television stations in southwestern Ontario since September of 1993. As a result, I find that the extent to which the trade-marks at issue have become known does not appear to favour either party to any measurable extent. On the other hand, the length of time the trade-marks have been in use [Para. 6(5)(b)] must be considered as favouring the opponent.

The Registrar must also have regard to the nature of the wares and services associated with the trade-marks at issue [Para. 6(5)(c)] and the nature of the trade [Para. 6(5)(d)] of the parties. More specifically, it is the wares and services covered in the present application and in the opponent's registrations which must be considered in assessing the likelihood of confusion in relation to the Paragraph 12(1)(d) ground since these statements of wares and services determine the scope of the monopoly being claimed by the parties in relation to their marks [see *Mr. Submarine Ltd. v. Amandista Investments Ltd.*, 19 C.P.R.(3d) 3, at pp.10-11 (F.C.A.); *Henkel Kommanditgesellschaft v. Super Dragon*, 12 C.P.R.(3d) 110, at p.112 (F.C.A.); and *Miss Universe, Inc. v. Dale Bohna*, 58 C.P.R.(3d) 381, at pp.390-392 (F.C.A.)]. However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful, particularly where there is an ambiguity as to the wares or services covered in an application or registration [see, in this regard, *McDonald's Corporation v. Coffee Hut Stores Ltd.*, 68 C.P.R.(3d) 168, at p.169 (F.C.A.)]. In the present opposition, there is no ambiguity as to the wares and services covered in the present application and the opponent's registrations. Further, and considering that the monopoly accorded a trade-mark registration covers all of Canada, the fact that the parties currently carry on business in distinct areas of southern Ontario is of limited relevance to the determination of the Paragraph 12(1)(d) ground. Likewise, the fact that the opponent currently distributes its magazine without charge is of little relevance to this issue.

The wares and services covered in the present application differ from the opponent's "newspapers, periodical publications and magazines; T-shirt, coffee mug, baseball cap, sweatshirt, watch, keychain, leather jacket, hockey puck, pen, beer stein, note pad". Likewise, I find there to be little similarity in the applicant's wares and services and the opponent's "publication of newspapers, periodical publications and magazines". While the wares and services of both parties are directed to the dissemination of news and information, the media through which the information is transmitted by the parties to their respective clientele are quite distinct. Thus, the channels of trade of the parties generally appear to differ even though the opponent's magazine includes news articles and the applicant advertises its services in newspapers and other publications.

With respect to the degree of resemblance between the trade-marks at issue [Para. 6(5)(e)], the applicant's trade-mark NEWS NOW and the opponent's registered trade-marks NOW and NOW & Design are similar in appearance and in sounding although the marks do not suggest any readily apparent ideas in common.

As a further surrounding circumstance in assessing the likelihood of confusion between the trade-marks at issue, the applicant has relied upon the absence of evidence of instances of actual confusion between its trade-mark and the opponent's trade-marks. The evidence of the parties indicates that the opponent has only carried on business in Metropolitan Toronto while the applicant's broadcasts are limited to southwestern Ontario. As a result, the absence of evidence of instances of actual confusion in the present opposition is not surprising. However, while there is currently no direct overlap in the respective territories where the trade-marks at issue are currently in use in Canada, I am nevertheless prepared to accord at least some weight to this surrounding circumstance as both parties have carried on business concurrently in southern Ontario.

Having regard to the foregoing and, in particular, to the fact that the wares and services of the parties differ, as do their respective channels of trade, I find that the applicant has met the legal burden upon it of satisfying the Registrar that there would be no reasonable likelihood of confusion between the trade-marks at issue. I have therefore dismissed the Paragraph 12(1)(d) ground of opposition. Likewise, I am satisfied that there would be no reasonable likelihood of confusion between the trade-marks at issue as of either the applicant's filing date or the date of opposition, the material dates for considering the Paragraph 16(3)(a) and non-distinctiveness grounds of opposition respectively. Consequently, these grounds of opposition are also unsuccessful.

In view of the above, and having been delegated by the Registrar of Trade-marks pursuant to Subsection 63(3) of the *Trade-marks Act*, I reject the opponent's opposition pursuant to Subsection 38(8) of the *Trade-marks Act*.

DATED AT HULL, QUEBEC, THIS 31st DAY OF JANUARY, 2000.

G.W. Partington
Chairperson
Trade-marks Opposition Board.