



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

Citation: 2015 TMOB 176
Date of Decision: 2015-09-29

IN THE MATTER OF AN OPPOSITION

Shaw Communications Inc. **Opponent**

and

TELUS Corporation **Applicant**

**1,507,526 for the trade-mark OPTIK TV
DESIGN (STACKED)** **Application**

I. Overview

[1] The Applicant is a Canadian telecommunications company. It has filed an application to register the trade-mark OPTIK TV DESIGN (STACKED), as shown below.



[2] The application is based upon proposed use of the Mark in Canada and it covers “sponsorship services, namely providing financial support for athletic and sporting events”.

[3] The Opponent is also a telecommunications company in Canada and it has opposed the application for the Mark on the basis that: 1) the Applicant does not intend to use the Mark in

Canada in association with the services which are covered in the application; 2) the Mark is clearly descriptive or deceptively misdescriptive of the character or quality of the services in the application; 3) the Mark is the name of the services; and 4) the Mark is non-distinctive.

[4] For the reasons that follow, the opposition is unsuccessful.

II. Background

[5] The application for the Mark was filed by the Applicant on December 13, 2010.

[6] It was advertised for opposition purposes in the *Trade-marks Journal* dated June 29, 2011. On July 26, 2011, the Opponent filed a statement of opposition to oppose it under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act).

[7] The statement of opposition was amended during the course of the proceeding and some grounds of opposition were struck as a result of an interlocutory ruling. The remaining grounds of opposition are based upon sections 30(e), 12(1)(b), 12(1)(c), and 2 (distinctiveness) of the Act.

[8] A counter statement was filed by the Applicant on December 22, 2011.

[9] In support of its opposition, the Opponent filed the affidavit of James Pitt, sworn April 20, 2012 (the Pitt affidavit) and the affidavit of Dane Penney, sworn April 23, 2012 (the first Penney affidavit). Both affiants were cross-examined on their affidavits and the transcripts of their cross-examinations have been made of record.

[10] In support of its application, the Applicant filed the affidavit of Rachael Mens (now known as Rachael Petersen), sworn October 4, 2012 (the first Mens affidavit); the affidavit of Rachael Mens, sworn October 9, 2012 (the second Mens affidavit); the affidavit of Robert Sims, sworn October 5, 2012 (the Sims affidavit); the affidavit of Dale Saip, sworn October 5, 2012 (the Saip affidavit); the affidavit of Nicholas Cartmell, sworn October 4, 2012 (the Cartmell affidavit); the affidavit of A. Louise McLean, sworn October 4, 2012 (the first McLean affidavit); the affidavit of A. Louise McLean, sworn October 4, 2012 (the second McLean affidavit); and the affidavit of A. Louise McLean, sworn October 4, 2012 (the third McLean affidavit). The Applicant also filed a certified copy of the file history for the application for the

Mark and certified copies of a number of third party applications and registrations as state of the register evidence. Ms. Petersen (Mens), Mr. Sims, and Mr. Cartmell were all cross-examined on their affidavits and the transcripts of their cross-examinations have been made of record.

[11] As evidence in reply, the Opponent filed a second affidavit of Dane Penney, sworn November 14, 2013 (the second Penney affidavit) and a third affidavit of Dane Penney, sworn November 14, 2013 (the third Penney affidavit). Mr. Penney was not crossed-examined on either of these affidavits.

[12] Both parties filed written arguments.

[13] A hearing in respect of this matter and related application Nos. 1,481,085 for OPTIK, 1,495,935 for OPTIK TV and 1,507,522 for OPTIK TV DESIGN (VERTICAL) was held on May 21, 2015 and both parties attended.

III. Onus and Material Dates

[14] The Applicant bears the legal onus of establishing on a balance of probabilities that its application complies with the requirements 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 [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA); and *Wrangler Apparel Corp v The Timberland Company* (2005), 41 CPR (4th) 223 (FC)].

[15] The material dates for the grounds of opposition are as follows:

- Section 30(e) – December 13, 2010– the filing date of the application [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475].
- Section 12(1)(b) - December 13, 2010 - the filing date of the application [*General Housewares Corp v Fiesta Barbeques Ltd* 2003 FC 1021; 28 CPR (4th) 60 (FC)];
- Section 12(1)(c) - the date of my decision [*Ottawa Athletic Club Inc (Ottawa Athletic Club) v Athletic Club Group Inc*, 2014 FC 672 at para 230; 128 CPR (4th) 1]; and

- Section 2 - July 26, 2011– the filing date of the opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* 2004 FC 1185; 34 CPR (4th) 317 (FC)].

IV. Issues

[16] There are four main issues to be determined in this proceeding:

- i) Does the application for the Mark comply with section 30(e) of the Act?
- ii) Is the Mark clearly descriptive or deceptively misdescriptive of the character or quality of the Applicant's services and therefore not registrable under section 12(1)(b) of the Act?
- iii) Is the Mark the name of the services and therefore not registrable under section 12(1)(c) of the Act?
- iv) Is the Mark distinctive within the meaning of section 2 of the Act?

V. Evidence

[17] At the outset, I wish to note that the Pitt affidavit, the first and second Penney affidavits, the first and second Mens affidavits, the Sims affidavit, the first, second and third McLean affidavits and the certified copies were all also filed in the related cases between the parties involving application Nos. 1,481,085 for OPTIK and 1,495,935 for OPTIK TV. My decisions in those related cases are issuing concurrently with this decision on today's date. In each of those cases, I provided a detailed overview of the aforementioned affidavits [see, in particular, in the case of application No. 1,481,085 for OPTIK, paras 20 to 98, and in the case of application No. 1,495,935 for OPTIK TV, paras 19 to 97]. I will not be providing a detailed summary of those affidavits in the present case. I do not consider it necessary to do so in order to dispose of the issues in this case, as very little of that evidence pertains to sponsorship services and those are the services which are at issue in the present application.

[18] I will now go on to summarize the further evidence which was filed in connection with the present case (the Saip affidavit and the Cartmell affidavit and transcript of his cross-

examination) and the third Penney affidavit (also filed in relation to the related cases involving application Nos. 1,481,085 for OPTIK and 1,495,935 for OPTIK TV, but not discussed in those cases due to the fact that it was responsive to the Cartmell affidavit, which was only filed in connection with the present case and the related case involving OPTIK TV DESIGN (VERTICAL) (application No. 1,507,522)).

Cartmell affidavit

[19] Mr. Cartmell is the Director, Marketing Communications at the Applicant's subsidiary TELUS Communications Company [para 1]. Mr. Cartmell refers to the Applicant's subsidiary and the Applicant collectively throughout his affidavit and I will do the same.

[20] Mr. Carmell is responsible for overseeing the Applicant's sponsorship services and its event and sponsorship strategy [paras 7 to 11].

[21] In paragraph 12, Mr. Cartmell indicates that he made his affidavit in support of the Applicant's application for the Mark and for the trade-mark OPTIK TV DESIGN (VERTICAL) (application no. 1,507,522). He refers to these two trade-marks collectively as the "Sponsorship Marks". As background information, he indicates that OPTIK TV (VERTICAL) appears "in-line", as opposed to "stacked", as it is most frequently applied to surfaces (such as hockey arena rink boards) that are oriented "vertically" relative to the ground [para 12].

[22] In paragraphs 13 to 23, Mr. Cartmell provides details with respect to the history and nature of the Applicant's sponsorship and other philanthropic activities. He states that the Applicant provides financial support to various arts, cultural and educational institutions and to sport and athletic organizations to allow them to put on events or entire seasons of games.

[23] According to Mr. Cartmell, the Applicant's sponsorship services are promoted not only to potential and current partners receiving financial support, but also to the public at large and within the Applicant's organization [para 15].

[24] In paragraph 17, Mr. Cartmell lists a number of organizations with which the Applicant has entered into sponsorship relationships or partnerships. He states that although he has been involved in the delivery of sponsorship services to many of these organizations, his team tends to

deal with the sponsorship of large spectator athletic and sporting events and these are the events with which the Sponsorship Marks are associated. Mr. Cartmell confirmed this during cross-examination [Cartmell transcript, Q. 47].

[25] In paragraph 21, Mr. Cartmell states that the Applicant's sponsorship (i.e. financial support) is a service which is offered by the Applicant in its own right, just as it offers various other services through its telecommunication and entertainment businesses. According to Mr. Cartmell, the Applicant receives compensation for paid subscriptions to its services and revenues from its products sold and it also receives a return on its investment in the sponsorship services it delivers by way of recognition. However, he acknowledges that the value received in return for sponsorship is not quantified as readily and that there is a significant philanthropic component to it [para 22].

[26] In paragraphs 24 to 37, Mr. Cartmell discusses the delivery of the Applicant's sponsorship services. He begins by acknowledging that he is aware that the Opponent has alleged that the Applicant does not genuinely deliver sponsorship services, but rather, is only advertising other services it delivers to the public through the use of the Sponsorship Marks [para 24]. According to Mr. Cartmell, that is not the case.

[27] In paragraphs 26 and 27, Mr. Cartmell attempts to distinguish advertising the Applicant's other goods and services from using the Sponsorship Marks in association with its sponsorship services. Mr. Cartmell states that to advertise its telecommunication and entertainment services, the Applicant's advertising team retains external media buyers to negotiate rates, inventory and exposure. By contrast, Mr. Cartmell states that when the Applicant sponsors organizations, it provides a service to those organizations. A recipient organization receives funding from the Applicant that allows it to operate and hold its events. He states that in a sponsorship relationship there is a long-term partnership that does not exist in purchasing advertising inventory.

[28] Mr. Cartmell states that prospective recipient organizations sometimes solicit sponsorship services from the Applicant by approaching the Applicant directly, as its services are promoted through word of mouth and through the display of trade-marks in the sponsorship of other sporting or athletic events under the Sponsorship Marks [para 30].

[29] According to Mr. Cartmell, trade-marks associated with the Applicant's sponsorship services are shown to recipient organizations while its sponsorship services are being offered and are displayed at the sporting events as the organizations are benefitting from its sponsorship services [para 31]. Mr. Cartmell states that athletic organizations seeking sponsorship make proposals stating the funding required and providing the background information about the organization seeking the service and the planned events and when the Applicant offers its services in this discussion, the associated trade-mark is usually displayed and discussed [para 32].

[30] In paragraph 33, Mr. Cartmell reiterates that the trade-marks associated with the Applicant's sponsorship services are displayed at the sporting or athletic event itself that is being supported by the Applicant's sponsorship dollars and in this fashion, the sponsorship services are being promoted to others. According to Mr. Cartmell, as a result of this, other athletic organizations often approach the Applicant for the same services.

[31] In paragraph 34, Mr. Cartmell explains that the Applicant enters into partnerships for several months throughout a specific sporting season and for simplicity, it sometimes delivers funding for sponsorship in lump sums. Thus, the Applicant continually supports athletic events and endeavors financially, as they take place. As noted by the Opponent, Mr. Cartmell acknowledged during cross-examination that he does not know when sponsorship monies were paid out in 2010 [Cartmell transcript, Q 170]. A budget was already in place when he came into his current position in October 2010 and the budget specifies when sponsorship funds are to be paid out and to which organizations [Cartmell transcript, Q's 158, 160-161 and 164].

[32] According to Mr. Cartmell, the sponsored organization receives a direct benefit of financial support which enables it to run its event and it also receives the benefit of sharing in the recognition associated with the Applicant's goodwill, which may make it easier for the organization to qualify for sponsorship services from other potential sponsors. Mr. Cartmell states that the Applicant also receives a benefit by delivering its sponsorship services because of the charitable nature of the services provided (i.e. providing financial support to worthy athletic causes). He states that community investment enhances the Applicant's brand appeal, as

communities recognize that giving money to these events that matter to a community is a real and important service [paras 35-36].

[33] In paragraph 37, Mr. Cartmell explains that up until December 7, 2010, the Applicant had been providing financial support to sporting and athletic events under its TELUS brand. It then rebranded to the Sponsorship Marks, namely, OPTIK TV DESIGN (VERTICAL) and subsequently OPTIK TV DESIGN (STACKED) (i.e. the Mark). According to Mr. Cartmell, the Applicant, in some cases, continued to use the TELUS mark with sponsorship services to maintain its brand equity while it was introducing the new Sponsorship Marks in association with its sponsorship services.

[34] Mr. Cartmell confirmed on cross-examination that he supports some sponsorships under the TELUS mark as well [Cartmell transcript, Q 46]. He also admitted that he does not know if there was any money transferred to the Edmonton Oilers between December 4, 2010 [when the TELUS mark was still being displayed at Rexall Place on the boards behind the net] and December 7, 2010 (when the OPTIK TV (VERTICAL) trade-mark was first displayed in the same position) [Cartmell transcript, Q 177].

[35] In paragraphs 38 to 51, Mr. Cartmell provides details pertaining to the events leading up to use of the Sponsorship Marks for the Applicant's sponsorship services.

[36] According to Mr. Cartmell, the Sponsorship Marks were only to be used and were only used for the Applicant's sponsorship services and not in connection with advertising or marketing its telecommunication or entertainment related services which are associated with its other trade-marks [paras 41-42]. This statement is corroborated by Ms. Mens (Director, Marketing Communications of the Applicant's subsidiary) in the first Mens affidavit [first Mens affidavit, paras 1, 75 and 76].

[37] However, as noted by the Opponent, Mr. Cartmell acknowledged on cross-examination that there is nothing in the Sponsorship Marks themselves to indicate that the marks are sponsorship marks *per se* and that the words in the Sponsorship Marks (i.e. Optik TV) are a reference to television services provided by the Applicant [Cartmell transcript, Q's 172-176, 188-189 and 192]. Mr. Cartmell also acknowledged that the Applicant advertises its

telecommunications services in association with the term OPTIK TV [Cartmell transcript, Q's 194-197].

[38] Exhibit A to Mr. Cartmell's affidavit consists of a copy of a Usage Standards document which prescribes the use of the Sponsorship Marks and which Mr. Cartmell states is shared with recipients of the Applicant's financial support services, as needed [para 42]. Mr. Cartmell does not state when the document was created.

[39] In paragraph 44, Mr. Cartmell states that it was the Applicant's initial intention to use the Sponsorship Marks in association with and for the advertisement of the sponsorship of athletic and sporting events held by a number of organizations. Some of these included: the Edmonton Oilers, the Calgary Flames and the Vancouver Giants.

[40] Mr. Cartmell states that OPTIK TV DESIGN (STACKED) (i.e. the Mark) was displayed in association with the delivery of the Applicant's sponsorship services by the end of January 2011 and the OPTIK TV DESIGN (VERTICAL) trade-mark was displayed in association with the delivery of the Applicant's sponsorship services beginning on December 7, 2010 [para 45].

[41] In paragraph 49, Mr. Cartmell reiterates that the Sponsorship Marks are displayed while sporting events are ongoing, as the Applicant provides financial support. He further states that the display of the Sponsorship Marks shows other organizations that the Applicant is in the business of providing financial support to sporting events and that those seeing the Sponsorship Marks within that context understand that they can also come to the Applicant to seek out support.

[42] In paragraph 50, Mr. Cartmell acknowledges that it is the hope of the Applicant that the recipients of the financial services under the Sponsorship Marks will become patrons of the Applicant in other aspects of its telecommunications business, but this is not the aspect of the business for which the Sponsorship Marks are displayed. Mr. Cartmell also acknowledges that in return for sponsorship services, the Applicant also often receives the direct benefit of being able to advertise its entertainment and telecommunications services, but the Sponsorship Marks are not used in these advertisements. In addition, Mr. Cartmell states that it is also an incidental

benefit to the Applicant through its use of the Sponsorship Marks, to receive recognition as a sponsor of an event that is important to the community [para 51].

[43] In paragraphs 52 to 62, Mr. Cartmell discusses how the trade-mark OPTIK TV DESIGN (VERTICAL) has been used in association with sponsorship services since December 7, 2010. Attached as Exhibit C, is a copy of a photograph showing this trade-mark displayed on a rink board at Rexall Place in Edmonton, Alberta. Mr. Cartmell states that the rink board was installed on December 7, 2010, in time for the home game which was played by the Edmonton Oilers on that date [para 53]. Attached as Exhibit D is a copy of a photograph showing the trade-mark OPTIK TV DESIGN (VERTICAL) displayed during the game. Screen captures of video highlights from the game are reproduced in paragraph 55 of Mr. Cartmell's affidavit and the trade-mark OPTIK TV DESIGN (VERTICAL) is visible therein.

[44] As noted by the Opponent, during cross-examination, Mr. Cartmell stated that he did not know the precise date when the Edmonton Oilers sponsorship contract was entered into [Cartmell transcript, Q 133]. Mr. Cartmell became the marketing director in his current position in October 2010 and did not negotiate the contracts with the Edmonton Oilers [Cartmell transcript, Q's 58 and 61]. They may have been negotiated by his predecessor or inherited by her [Cartmell transcript, Q 60]. Although Mr. Cartwell was aware that the contract provided for recognition of the Applicant's marks within the rink, he was not aware of whether a specific mark was to be used or whether the Applicant retains space [Cartmell transcript, Q's 156-157]. Mr. Cartmell stated on cross-examination that the Applicant reviews the Sponsorship Marks from time to time with the sponsored organizations and also internally [Cartmell transcript, Q 52]. However, as noted by the Opponent, there is no evidence to establish that the Sponsorship Marks were reviewed with the sponsored organizations prior to their first display at Rexall Place in Edmonton on December 7, 2010.

[45] In paragraph 56, Mr. Cartmell states that the trade-mark OPTIK TV DESIGN (VERTICAL) was also displayed on the rink boards at Rexall Place in Edmonton on December 12, 2010 at a game against the Vancouver Canucks. Copies of photographs from this game are attached as Exhibit E. Mr. Cartmell states that the OPTIK TV DESIGN (VERTICAL) trade-mark was displayed at Rexall Place in this manner for the remainder of the 2010-2011

season and the 2011-2012 pre-season and season. Attached as Exhibit F are photographs from the *Edmonton Journal* showing the OPTIK TV DESIGN (VERTICAL) trade-mark displayed at Rexall Place.

[46] In paragraphs 58, 60 and 61, Mr. Cartmell states that shortly after its initial December 7, 2010 display at Rexall Place, the OPTIK TV DESIGN (VERTICAL) trade-mark was also displayed: in the Saddledome in Calgary, Alberta, in association with sponsorship services for the 2010-2011 hockey season of the Calgary Flames; in the Enmax Centrium, where the Red Deer Rebels play; and the Pacific Coliseum in Vancouver, British Columbia, where the Vancouver Giants play. Photographs showing the trade-mark OPTIK TV DESIGN (VERTICAL) on display at these locations are attached as Exhibits G, H and I and a screen capture of a game highlight from a December 13, 2010 game between the Calgary Flames and the Columbus Blue Jackets is reproduced after paragraph 58 of Mr. Cartmell's affidavit.

[47] In paragraphs 63 to 67, Mr. Cartmell discusses the Applicant's intention to use the trade-mark OPTIK TV DESIGN (STACKED) (i.e. the Mark). He indicates that the Mark was first installed and displayed at the Calgary Saddledome in association with the Applicant's sponsorship services for the 2010-2011 hockey season of the Calgary Flames on January 12, 2011 and in the ice for the Edmonton Oilers at Rexall Place on January 17, 2011.

[48] In paragraphs 68 to 71 of his affidavit, under the heading "THE OPTIK TV DESIGN MARKS ARE NOT CLEARLY DESCRIPTIVE OR DECEPTIVELY MISDESCRIPTIVE", Mr. Cartmell discusses the opposition proceedings involving the Sponsorship Marks. Some of the statements he makes are self-serving in nature and/or border on legal arguments and conclusions. I am not prepared to give such statements any weight.

Saip affidavit

[49] Mr. Saip is the Vice President, Business Development, Vancouver Junior Hockey Limited Partnership, which does business as the Vancouver Giants hockey team [para 1]. He runs and manages games day operations and sponsorship programs for the team, including the sponsorship arrangement with the Applicant [para 6].

[50] According to Mr. Saip, regular season and playoff hockey games are the main sporting events of the Vancouver Giants and these events are sponsored by the Applicant and branded under the Mark and under the Applicant's OPTIK TV DESIGN (VERTICAL) trade-mark [para 8].

[51] Mr. Saip states that the Vancouver Giants games could not take place without the support of sponsors including the Applicant [paras 12 and 18]. He states that sponsorship of the Vancouver Giants sporting events therefore benefits members of the public who attend and the team organization directly [para 16].

[52] According to Mr. Saip, the Applicant provides funding that is used throughout the year to support the playing of games, which involves meeting all of the funding needs for each game. The sponsorship of these events is branded under and associated with the Mark and with the Applicant's OPTIK TV DESIGN (VERTICAL) trade-mark [para 21].

[53] In paragraph 23 of his affidavit, Mr. Saip states that the Vancouver Giants as an organization, its players and the public associate the Mark with the financial support which is provided by the Applicant. He states that this association began in December of 2010 and January of 2011, when the Applicant re-branded its sponsorship services previously offered under its TELUS trade-marks to be offered under the Mark and OPTIK TV DESIGN (VERTICAL) (application no. 1,507,522). While I find it reasonable to accept that Mr. Saip would be in a position to speak to his own perception and that of his organization, I do not accept that he necessarily has knowledge of public perception in general.

[54] In paragraphs 24-30, Mr. Saip states that when the Vancouver Giants organization sees the Mark, it is constantly reminded that the Applicant has provided funding and is a key partner. According to Mr. Saip, the Mark and the Applicant's OPTIK TV DESIGN (VERTICAL) trade-mark have been displayed since January 2011 on rink boards, behind the players' benches and in the ice itself. Photographs showing how the Mark has been displayed in the ice at the Pacific Coliseum are included in Mr. Saip's affidavit [para 29].

[55] Mr. Saip states that sponsorship by the Applicant under the Mark and its trade-mark OPTIK TV DESIGN (VERTICAL) enhances the view of the Vancouver Giants in the eyes of

the community, since the Applicant is recognized in the community as a contributor to local charities and activities. He further states that having the Applicant associated through its trade-marks (i.e. the Mark and the OPTIK TV DESIGN (VERTICAL)) at his organization's events brings credibility to the organization and allows the Vancouver Giants to provide the team with better benefits for the players by assisting it with seeking sponsorship from other organizations [para 33]. This suggests that there is more than simply a monetary benefit to the Applicant's sponsorship services.

[56] In paragraph 34 of his affidavit, Mr. Saip states that the Mark, as well as OPTIK TV DESIGN (VERTICAL), are the only trade-marks containing the word OPTIK that the Vancouver Giants associate with sponsorship services. He clearly states that the organization does not associate these trade-marks with any service other than sponsorship.

[57] In paragraph 35, Mr. Saip states that from the perspective of the Vancouver Giants, sponsorship services are distinct from commercial advertising, in which a company advertises its product or services through the Vancouver Giants. He then goes on to explain how sponsorship involves a different procedure and resulting relationship, different funding and different trade-marks.

[58] With respect to the procedure and relationship, Mr. Saip states that the Vancouver Giants obtain sponsorships by approaching organizations that it knows sponsor sporting events [para 36]. His organization identifies sponsorship opportunities by speaking to other members of the athletic community, seeing the sponsors associated with other events or by identifying potential sponsorship sources by observing logos displayed at sporting events to signify sponsorship. He states that he understands that these procedures are common among athletic organizations, based upon interactions he has had with his counterparts on other teams [para 36].

[59] In paragraph 37, Mr. Saip explains that once a company agrees to provide financial support, there is a relationship with the company itself and that joint arrangements are made outside of the sporting events which involve the organization's partners, such as fan appreciation nights and other community events. According to Mr. Saip, the Vancouver Giants have this relationship sponsors, but not with advertisers [paras 37-38].

[60] In paragraph 39, Mr. Saip explains that the Vancouver Giants do not display the trade-marks of advertisers on the ice, as it is reserved for sponsors to display the brand associated with the sponsorship. Mr. Saip acknowledges that there are some advertising benefits which are provided to sponsors that are also available to non-sponsors. He also acknowledges that the Applicant, through its sponsorship arrangement, is able to advertise its commercial services (i.e. non-sponsorship services which the Applicant offers to the public), in programs, in schedules and above the Zamboni entrance in association with its other trade-marks [para 40].

[61] With respect to funding, in paragraphs 42-44, Mr. Saip points out that there is a different funding model for advertisers. In particular, a rate card setting out the tariffs for advertising is provided to a company wishing to advertise and these are not provided to sponsors. Rather, to the extent that advertising is desired as part of a sponsorship arrangement, the rates are customized.

[62] With respect to trade-mark use, in paragraphs 44-45 of his affidavit, Mr. Saip once again acknowledges that the Applicant advertises its commercial services with the Vancouver Giants using trade-marks other than the Mark, which is displayed to recognize and advertise contribution of sponsorship services. He states that for example, outside of the stadium and in the programs there are advertisements bearing the trade-marks OPTIK or OPTIK TV or TELUS to advertise the telecommunication and entertainment services offered by the Applicant including advertisements which are used in pocket schedules and at the Zamboni entrance. Examples of such advertisements are included in Mr. Saip's affidavit after paragraphs 45 and 46.

Third Penney affidavit

[63] The third Penney affidavit is purportedly responsive to statements which were made by Mr. Cartmell during cross-examination. In particular, the Opponent asserts that it is responsive to Q's 172-176, wherein Mr. Cartmell maintained that OPTIK TV DESIGN (VERTICAL) and OPTIK TV DESIGN (STACKED) are sponsorship marks and would be recognized as such, but later conceded that there is nothing on the face of the marks that would cause them to be recognized as relating to sponsorship when they are considered in isolation or out of context. Attached as Exhibit 1 to his affidavit is an excerpt of this portion of the transcript of Mr. Cartmell's cross-examination.

[64] Mr. Penney's affidavit essentially consists of the results of a search he conducted of the trade-mark register for active registrations or applications owned by the Applicant that contain *sponsor* in the description of goods or services. The search results are attached as Exhibit 2 to his affidavit. According to the Opponent, of the 41 marks which were located in Mr. Penney's search, only 5 of the marks do not in some way expressly identify the venue or event being sponsored or the fact of sponsorship.

[65] The Applicant submits that this is improper reply evidence, as it could and should have been filed as part of the Opponent's evidence in chief (i.e. its Rule 41 evidence). Whether it is proper reply or not, I do not consider it to be of much assistance to the Opponent. In my view, the fact that some trade-marks contain matter (for example, the name of an event) which might assist a consumer in recognizing, on the face of the mark, that the mark is used or intended to be used in association with sponsorship services, does not mean that marks which do not include such matter are not also capable of functioning as source identifiers for sponsorship services or that consumers will be incapable of recognizing them as such.

VI. Analysis

i) Does the application for the Mark comply with section 30(e) of the Act?

[66] The Opponent has pleaded that the application is contrary to section 30(e) of the Act in that at the time that it filed the application, the Applicant did not intend to use the Mark in Canada for the services described in the application.

[67] Since the application for the Mark contains a statement that the Applicant by itself and/or through a licensee intends to use the trade-mark in Canada, it formally complies with section 30(e) of the Act. The issue therefore becomes whether or not the Applicant has substantially complied with this section (i.e. is the Applicant's statement that it intended to use the Mark true?) [*Home Quarters Warehouse, Inc v Home Depot, USA, Inc* (1997), 76 CPR. (3d) 219 (TMOB); *Jacobs Suchard Ltd v Trebor Bassett Ltd* (1996), 69 CPR (3d) 569 (TMOB)].

[68] An Opponent's initial burden is light under section 30(e) of the Act because it has limited access to information regarding use relative to the Applicant. Its burden can, in some cases, be

met with reference to the Applicant's evidence [*Molson Canada v Anheuser-Busch Inc* 2003 FC 1287; 29 CPR (4th) 315 (FC)].

[69] The Opponent's position with respect to this ground of opposition is two-fold.

[70] First, the Opponent points out that according to the Applicant's evidence, the Mark was first displayed at the Calgary Saddledome on January 12, 2011. The Opponent submits that this display would not have constituted "use" in association with the performance of sponsorship services because any sponsorship funds which were paid out by the Applicant would have been paid out long before that date and long before the subsequent display of the Mark several days later on January 17, 2011 at Rexall Place in Edmonton [Cartmell transcript, Q's 58 and 61]. The Opponent submits that there is no evidence to establish that there was any new contract put in place at the time that the Mark was first displayed and that no new benefit accrued to the funding recipients on that date which didn't already exist prior to that date.

[71] Even if I were to accept the Opponent's submissions that the first display of the Mark which took place in January 2011 would not technically have constituted "use" of the Mark in association with the performance of sponsorship services, in my view, this is in no way indicative of the absence of a future intention to use the Mark or of the absence of an intention to use the Mark at the time of filing of the application.

[72] Moreover, even if the first display of the Mark arguably may not have constituted "use" in association with the *performance* of the Applicant's services, in my view, it would have constituted use in the *advertising* of those services, and this also meets the requirements for "use" within the meaning of section 4 of the Act.

[73] In that latter regard, I note that according to Mr. Cartmell, in addition to promoting its sponsorship services internally and to the public at large, the Applicant also promotes them to potential and current partners receiving financial support. Prospective recipient organizations sometimes solicit sponsorship services from the Applicant by approaching the Applicant directly, as its services are promoted through word of mouth and through the display of trade-marks in the sponsorship of sporting or athletic events under the Sponsorship Marks [para 30]. The Sponsorship Marks associated with the Applicant's sponsorship services are shown to recipient

organizations while services are being offered and are displayed at the sporting events as the organizations are benefitting from the services [para 31]. According to Mr. Cartmell, the display of the Sponsorship Marks shows other organizations that the Applicant is in the business of providing financial support to sporting events and that those seeing the Sponsorship Marks within that context understand that they can also come to the Applicant to seek out support [Cartmell affidavit, para 49].

[74] These statements are supported by Mr. Saip, the Vice President, Business Development, Vancouver Junior Hockey Limited Partnership, which does business as the Vancouver Giants hockey team and which is a recipient organization of the Applicant [Saip affidavit, paras 1, 6 and 8]. In paragraph 34 of his affidavit, Mr. Saip states that the Mark, as well as OPTIK TV DESIGN (STACKED), are the only trade-marks containing the word OPTIK that the Vancouver Giants associate with sponsorship services. He clearly states that the organization does not associate these trade-marks with any service other than sponsorship. He further states that the Vancouver Giants obtain sponsorships by approaching organizations that it knows sponsor sporting events and that the organization identifies sponsorship opportunities by speaking to other members of the athletic community, seeing the sponsors associated with other events or by identifying potential sponsorship sources by observing logos displayed at sporting events to signify sponsorship [para 36]. In the absence of cross-examination, I am not prepared to question the veracity of Mr. Saip's statements in this regard.

[75] Thus, at the very least, I consider the Applicant's evidence sufficient to show that the Mark had been used or displayed in the *advertising* of its sponsorship services in January 2011, subsequent to the filing date of the application for the Mark. Such display would have constituted use of the Mark within the meaning of section 4 of the Act and in my view, is consistent with and provides support to the statement made by the Applicant at the time of filing the application that it had an intention to use the Mark.

[76] The second position taken by the Opponent is that the Mark would be perceived as being advertising for the Applicant's television services and not as being associated with sponsorship services. The Opponent therefore submits that the Applicant could not have intended to use the Mark in association with sponsorship services at the time that it filed its application.

[77] In support of this position, the Opponent relies upon the fact that nothing about the Mark itself signals to consumers that it is intended to be associated with sponsorship services and points out that Mr. Cartmell acknowledged this on cross-examination. In addition, the Opponent relies on the fact that the Applicant advertises its television related services in the same venues, in association with the marks OPTIK or OPTIK TV and points out that this was also acknowledged by Mr. Cartmell. According to the Opponent, the written words OPTIK TV, in the Mark logically refer to the Applicant's television services which are offered under the trade-mark OPTIK TV and the Opponent therefore submits that the Mark would be perceived by consumers as nothing more than advertising for those services. For these reasons, the Opponent is of the view that the Applicant cannot be said to have intended to use the Mark in association with the sponsorship services which are covered in the application.

[78] Contrary to what the Opponent has submitted, I note that both Mr. Cartmell and Ms. Mens clearly state in their affidavits that the Sponsorship Marks were only to be used and were only used for the Applicant's sponsorship services and not in connection with advertising or marketing its telecommunication or entertainment related services which are associated with its other trade-marks [Cartmell affidavit, paras 41-42; first Mens affidavit, paras 75 and 76].

[79] Moreover, there is a clear statement in Mr. Saip's affidavit to the effect that as far as his organization is concerned, the Mark, as well as OPTIK TV DESIGN (VERTICAL), are the only trade-marks containing the word OPTIK that the Vancouver Giants associate with sponsorship services. He clearly states that the organization does not associate these trade-marks with any service other than sponsorship [para 36]. Notably, he makes this statement while also acknowledging that there are some advertising benefits which are provided to sponsors that are also available to non-sponsors and that the Applicant, through its sponsorship arrangement, is able to advertise its commercial services (i.e. non-sponsorship services which the Applicant offers to the public), in programs, in schedules and above the Zamboni entrance in association with its other trade-marks [para 40].

[80] These statements clearly indicate that his organization perceives the Sponsorship Marks to be associated with the Applicant's sponsorship services and not its television or related services, as suggested by the Opponent. Based upon the evidence before me and taking into

account the unique nature of sponsorship services and sponsorship relationships, I consider it reasonable to infer that other recipients or potential recipients of the Applicant's funding would similarly perceive the Applicant's Sponsorship Marks.

[81] At the hearing, the Opponent argued that the relevant consumer of the Applicant's services is not the recipient organizations which benefit from its financial support, but rather, the public at large who attend the sporting events which are sponsored by the Applicant and see the Applicant's Sponsorship Marks. According to the Opponent, it is the public perception of the Sponsorship Marks that matters and in this case, the Opponent is of the view that the public would not perceive the Sponsorship Marks as being associated with anything other than the Applicant's television or telecommunication services.

[82] While it is true that there is a benefit to the public when the Applicant provides its sponsorship services to recipient organizations and that the Applicant benefits from public awareness of its financial contribution to community events, the Applicant does not provide its services directly to the public. Rather, it seeks out or is sought out by recipient organizations, it contracts with them, establishes an ongoing partnership or relationship with them, and provides its financial support to them.

[83] In view of the foregoing, this ground of opposition is unsuccessful.

ii) Is the Mark clearly descriptive or deceptively misdescriptive of the character or quality of the Applicant's services and therefore not registrable under section 12(1)(b) of the Act?

[84] Section 12(1)(b) of the Act provides:

12(1)... 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 in their production or of their place of origin;

[85] The inclusion of the words "when sounded" in section 12(1)(b) means that simply corrupting or changing the spelling of an otherwise clearly descriptive or deceptively misdescriptive trade-mark will not render it registrable, if it would still be pronounced in the same manner.

[86] In the case of composite marks (i.e. marks which consist of both word and design elements), the Federal Court has found that these marks are not registrable pursuant to section 12(1)(b) if they contain word elements which are: clearly descriptive or deceptively misdescriptive of the goods or services in association with which they are used or proposed to be used and also the dominant feature of the mark [*Best Canadian Motor Inns Ltd v Best Western International Inc* 2004 FC 135; 30 CPR (4th) 481].

[87] The purpose of the prohibition in section 12(1)(b) of the Act is to prevent any single trader from appropriating words within the range of language that would ordinarily be used by traders to describe particular goods or services, thereby placing legitimate competitors at a disadvantage [*General Motors Corp v Bellows* (1949), 10 CPR 101 (SCC) at paras 112-113].

[88] The principle underlying the section 12(1)(b) prohibition of "deceptively misdescriptive" trade-marks is that a mark which is the subject matter of an application must not mislead the public by ascribing a quality to goods or services that they do not possess [*Deputy Attorney-General of Canada v Biggs Laboratories (Canada) Limited* (1964), 42 CPR 129 (ExCt) at 130].

[89] The Federal Court of Appeal in *Ontario Teachers' Pension Plan Board v Canada* provided the following summary of the governing principles to be applied when assessing whether a trade-mark is clearly descriptive:

- the test 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 goods or services or if the trade-mark is suggestive of a meaning other than one describing the goods 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 it in association with the goods or services with which it is used or proposed to be used

- 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 goods or services
- the word “character” means a feature, trait or characteristic belonging to the goods or services

[*Ontario Teachers’ Pension Plan Board v Canada*, (2012), 99 CPR (4th) 481 (FCA) at para. 29].

[90] In addition to the above principles, it has also been held that when assessing whether a trade-mark is clearly descriptive or deceptively misdescriptive under section 12(1)(b) of the Act, the Registrar must not only consider the evidence at her disposal, but also apply her common sense in the assessment of the facts [*Neptune SA v Attorney General of Canada* (2003), 29 CPR (4th) 497 (FCTD) at para 11].

[91] I have reproduced the Opponent’s pleadings under its section 12(1)(b) grounds of opposition below:

- (d) The Alleged Trade-mark is not registrable in that it is deceptively misdescriptive of the character or quality of the television Business Services that underly the Alleged Services in association with which it purports to be used, and of the television Business Services it is actually associated with, and is intended to be associated with, and is therefore contrary to subsections 38(2)(b) and 12(1)(b) of the Trade-marks Act

Since the network used by the Applicant to deliver its Business Services is not entirely fibre optic based, the Alleged Trade-mark is deceptive and misleading to the public by messaging that the Services and the Applicant’s television Business Services, are delivered via, or relate to, or are associated with, such a fibre optic network

- (e) The Alleged Trade-Mark is not registrable in that it is clearly descriptive of the character or quality of the television Business Services that underly the Alleged Services in association with which it purports to be used, and of the television Business Services it is actually associated with, and is intended to be associated with, and is therefore contrary to subsections 38(2)(b) and 12(1)(b) of the Trade-marks Act

In the alternative, in the event the Applicant’s network is fully fibre optic based, the Alleged Trade-mark is descriptive of a character or quality of the network used to deliver its television Business Services and therefore would be descriptive

to the public by messaging that the Services, and its television Business Services, are delivered via, or relate to, or are associated with, such a fibre optic network. The Alleged Trade-mark should remain available for use by all traders to describe their fibre optic based networks and related products

[92] The “television Business Services” referred to in the pleading are defined elsewhere in the statement of opposition as being the Applicant’s “telecommunication, television, radio and Internet services”.

[93] According to the Opponent, the Mark, which is comprised of the words “Optik TV” and a stylized letter “t” design element, would be read as “Optik TV” when sounded, as the letter “t” would be viewed as merely being a design and would therefore not be sounded. The Opponent is of the view that “Optik TV” is the dominant portion of the Mark and the Opponent submits that the Mark, as presented to the public by the Applicant, would be perceived as simply advertising the television services of the Applicant and in this context is clearly descriptive or deceptively misdescriptive.

[94] The Opponent alleges that many traders use the terms “optic” or “fiber optic” to describe services provided by means of a fiber optic network, that is, to indicate the nature of the network over which their telecommunications services will be provided, and the higher quality of service as a result (e.g. higher bandwidth, faster data rates, lower maintenance, better performance).

[95] The Opponent asserts that the Mark is therefore clearly descriptive of a distinguishing trait, feature or characteristic of the goods or services of the Applicant (i.e. higher speeds, higher performance, etc) and of the means by which the Applicant’s television services are provided (i.e. over a fiber optic network).

[96] The Opponent further asserts that if the network used by the Applicant to connect its goods or deliver its services is not entirely fiber optic based, the Mark is deceptively misdescriptive of a distinguishing trait, feature or characteristic of the goods or services or of the means by which they are delivered, as the goods and services associated by the public with the Mark cannot deliver higher speeds, higher performance, etc. and the means by which the Applicant’s services are produced or delivered (i.e. the network) is not fully fiber optic in nature

and would be understood to be by consumers. In view of the foregoing, the Opponent submits that the Mark as a whole is not registrable. I disagree.

[97] Section 12(1)(b) of the Act prohibits the registration of trade-marks which are clearly descriptive or deceptively misdescriptive in the English or French language of the character or quality of the goods or services in association with which they are used or proposed to be used. In *ITV Technologies Inc*, Madame Justice Tremblay-Lamer stated the following (at para 67):

“...in order for a mark to be clearly descriptive, pursuant to paragraph 12(1)(b), it must be more than merely suggestive of the character or quality of the wares or services in association with which it is used or proposed to be used. The descriptive character 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 itself (*Provenzano v Registrar of Trade-marks* (1977), 37 C.P.R. (2d) 189)” (emphasis added)

[*ITV Technologies Inc v WIC Television Ltd* (2003), 29 CPR (4th) 182 (FCTD) at para 67; *aff’d* (2005) 38 CPR (4th) 481 (FCA)].

[98] In this case, the Opponent’s pleadings are entirely based upon allegations that the Mark is clearly descriptive or deceptively misdescriptive of services other than those which are covered by the application for the Mark and the evidence simply does not support a finding that the Mark is in any way clearly descriptive or deceptively misdescriptive of the character or quality of the Applicant’s sponsorship services, namely, providing financial support for athletic and sporting events.

[99] In view of the foregoing, the Opponent’s section 12(1)(b) grounds of opposition are unsuccessful.

iii) Is the Mark the name of the services and therefore not registrable under Section 12(1)(c) of the Act?

[100] Section 12(1)(c) of the Act provides that a trade-mark is registrable if it is not the name in any language of any of the goods or services in association with which it is used or proposed to be used.

[101] In the present case, the Opponent submits that the Mark, *when spoken*, “Optik TV”, is the name used to refer to “optic tv” services, which are described and promoted in the Applicant’s “Optik” materials as services provided by means of a fiber optic network over the Internet.

[102] Section 12(1)(c) is narrower than section 12(1)(b). The Mark as a whole must be *the name* of the services based upon the immediate and first impression of the everyday user of the goods and services [*ITV Technologies supra* at para 81].

[103] In the present case, the Opponent is essentially alleging that a part of the Mark, when spoken, is the name used to refer to television services and would be recognized as such by consumers, in part because of the nature of the Applicant’s advertising materials for its television and related services which are provided over a fibre optic network. Those are not the services which are the subject of this application. The subject application deals with sponsorship services and there is no evidence to support a finding that the Mark is the name of such services.

[104] In view of the foregoing, I cannot conclude that the Mark is unregistrable under section 12(1)(c) of the Act.

[105] Accordingly, this ground of opposition is also unsuccessful.

iv) Is the Mark distinctive within the meaning of Section 2 of the Act?

[106] The Opponent has pleaded that the Mark is not distinctive within the meaning of section 2 of the Act, in that, considering its descriptive or misdescriptive character it does not distinguish and is not adapted to distinguish the Applicant’s sponsorship services from the goods and services of others, including those of the Opponent.

[107] The distinctiveness of a trade-mark is a fundamental principle linked to the purpose of a trade-mark, which is to distinguish the owner’s goods or services from those of others [*Philip Morris Products SA v Imperial Tobacco Canada Ltd*, 2014 FC 1237 at para 61 (FCTD)]. Whether a trade-mark is distinctive is a question of fact which is determined by reference to the message it conveys to ordinary consumers of its associated goods or services [*Apotex Inc v Canada (Registrar of Trade-marks)*, 2010 FC 291 (FCTD); *Novopharm Ltd v Bayer Inc* (1999) 2 FC 533 (FCTD) at para 70; *aff’d* (2000), 9 CPR (4th) 304].

[108] The Opponent submits that the Applicant has not led any evidence to establish that consumers, on seeing the Mark, would understand it as distinguishing either i) the Applicant's sponsorship services from the sponsorship services of others, or ii) the Applicant's sponsorship services from its television and multimedia services. The Opponent is of the view that consumers would be more likely to understand the Mark as referencing the Applicant's television services as distinct from the television services of others.

[109] These are essentially the extent of the Opponent's submissions in relation to this ground of opposition and in support of these submissions, the Opponent relies on the fact that unlike many of the other trade-marks owned by the Applicant for sponsorship-related services which were located by Mr. Penney and attached as Exhibit 2 to his third affidavit, there is no indication within the Mark itself that it is associated with sponsorship services. The Opponent points out that Mr. Cartmell acknowledged this during cross examination [Cartmell transcript, Q's 172-176].

[110] As mentioned previously, I am of the view that the mere fact that a mark may not include any accompanying indicia to assist consumers in identifying what goods or services it is associated with, does not render it non-distinctive. If anything, quite the opposite is often true (i.e. marks which contain descriptive matter are often considered to possess less distinctiveness).

[111] In order to succeed under this ground of opposition, it is first necessary for the Opponent to meet an initial evidential burden to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support its ground of opposition exist. In my view, it has not done so in this case. While the Opponent has led evidence in an attempt to support its contention that the terms OPTIK and OPTIK TV are descriptive or misdescriptive in the context of television related services, it has, in my view, failed to provide sufficient evidence to support its contention that the Mark would be perceived by consumers of the Applicant's *sponsorship services* as being descriptive or misdescriptive of television services or that such consumers would perceive the Mark as being associated with anything other than the Applicant's sponsorship services.

[112] On the other hand, there are sworn statements from representatives of the Applicant that the Sponsorship Marks were only to be used and were only used for the Applicant's sponsorship

services and not in connection with advertising or marketing its telecommunication or entertainment related services which are associated with its other trade-marks [Cartmell affidavit, paras 41-42; first Mens affidavit, paras 75 and 76]. In addition, there is also a sworn statement from a representative for a recipient organization of the Applicant to the effect that his organization and its players do in fact associate the Sponsorship Mark with the financial support provided by the Applicant and not with any of its other television related services [Saip affidavit, para 36]. In my view, this evidence supports a conclusion that the Mark is capable of and does distinguish the Applicant's sponsorship services, from like services of others.

[113] Accordingly, this ground of opposition is also unsuccessful.

VII. Disposition

[114] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

Lisa Reynolds
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Hearing Date: 2015-05-21

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