IN THE MATTER OF AN OPPOSITION
by Canada Post Corporation to application
No. 645,488 for the trade-mark WAGON
POST LTD. filed by Wagon Post Ltd. and
subsequently assigned to Welcome Wagon Ltd.

On November 23, 1989, Wagon Post Ltd. filed an application to register the trade-mark WAGON POST LTD. based on use in Canada since July of 1987 in association with the following services:

> **advertising distribution services, namely, the assembly and distribution of commercial advertising and promotional and educational materials.**

The application was assigned to the current applicant of record, Welcome Wagon Ltd., on January 26, 1990 and it was subsequently advertised for opposition purposes on September 12, 1990.

The opponent, Canada Post Corporation, filed a statement of opposition on September 28, 1990, a copy of which was forwarded to the applicant on November 5, 1990. On May 13, 1994, the opponent was granted leave to amend the statement of opposition.

The first ground of opposition is that the applied for trade-mark is not registrable in view of the provisions of Section 12(1)(b) of the Trade-marks Act. In this regard, the opponent has alleged that the applicant's mark is deceptively misdescriptive of the character or quality of the applied for services and of the persons employed in their production because the use of the term POST implies that the services are performed by the opponent and its employees.

The second ground of opposition is that the application does not comply with the provisions of Section 30(i) of the Act. In support of this ground, the opponent has alleged that the applicant could not have been satisfied that it was entitled to use its mark in Canada because the mark suggests that the services have been authorized or approved by the opponent and because use of the mark is contrary to Section 58 of the Canada Post Corporation Act.

The third ground is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Act because it is confusing with the following registered trade-marks of the opponent:

Trade-mark	Reg. No.	Wares/Services
TELEPOST	**201,399**	**telecommunication services**
PRIORITY POST	**304,574**	**rapid postal services**
POST PRIORITAIRE	**304,575**	**rapid postal services**
MAIL POSTE & Design	**361,467**	**(1) postal services (2) credit card services [and a long list of wares in the nature of office supplies and souvenir items]**
POSTE MAIL & Design	**361,468**	**[same as above]**
MEDIAPOSTE +	**385,305**	**electronic message transmission services**
MEDIA-POSTE-PLUS	**385,306**	**[same as above]**
ADMAIL PLUS	**387,893**	**[same as above]**
ADMAIL +	**388,438**	**[same as above]**

In each registration where POST or POSTE appears as a separate word, that word is disclaimed apart from the trade-mark.

The fourth ground of opposition is that the applied for trade-mark is not registrable pursuant to the provisions of Sections 9(1)(n)(iii) and 12(1)(e) of the Act in view of a number of official marks of the opponent. Those marks include PRIORITY POST - POSTES PRIORITAIRES, INTELPOST, MEDIAPOSTE & Design, MEDIAPOSTE, MESSAGERIES POSTE PRIORITAIRE, PRIORITY POST COURIER, MAIL POSTE & Design, POSTE MAIL & Design and POSTE-LETTRE.

The fifth ground is that the applicant is not the person entitled to registration pursuant to Sections 16(1)(a) and 16(1)(c) of the Act because, as of the applicant's claimed date of first use, the applied for trade-mark was confusing with the opponent's trade-marks and trade-names previously used in Canada by the opponent and its predecessor in title. The sixth ground is that the applied for trade-mark is not registrable pursuant to Sections 9(1)(d) and 12(1)(e) of the Act because it is likely to lead to the belief that the services in association with which it is used have received or are produced, sold or performed under governmental patronage, approval or authority.

The seventh ground of opposition reads as follows:

> **The trade-mark is not distinctive in that it is not adapted to distinguish the services in association with which it allegedly has been used from the services provided by the Opponent and its said predecessor; on the contrary it is calculated to give rise to confusion, and to enable the Applicant to benefit from and trade off the goodwill of the Opponent in its corporate name, trade-marks, official marks and trade-names referred to above.**

The applicant filed and served a counter statement. The opponent did not file evidence pursuant to Rule 43 of the Trade-marks Regulations and the applicant did not file evidence pursuant to Rule 44. However, on May 13, 1994, the opponent was granted leave pursuant to Rule 46(1) to file the affidavit of Linda J. Elford which introduces into evidence copies of the opponent's registrations and official marks. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

In reviewing the issues in the present case, I have been guided by the decision of Mr. Justice Muldoon in Canada Post Corp. v. Registrar of Trade Marks (1991), 40 C.P.R.(3d) 221 (F.C.T.D.) and the following comments appearing at page 239 of the reported decision:

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

Mr. Justice Muldoon went on to discuss the provisions of the Canada Post Corporation Act at length and stated as follows at page 240 of the decision:

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

provisions of the C.P.C.A.

In passing, I wish to note that while it is undoubtedly true that Canada Post Corporation has a special status by virtue of its enabling statute and that it can use the provisions of that statute in support of one or more grounds of opposition, Canada Post Corporation nevertheless should receive the same treatment as others respecting interlocutory requests in opposition proceedings. If Mr. Justice Muldoon is saying otherwise, I disagree.

As for the first ground of opposition, the material time for considering the circumstances respecting the issue arising pursuant to Section 12(1)(b) of the Act is the date of my decision: see the decision in Lubrication Engineers, Inc. v. The Canadian Council of Professional Engineers (1992), 41 C.P.R.(3d) 243 (F.C.A.). At the oral hearing, the agent for the opponent submitted that the material time is the applicant's filing date in view of the decision of the Supreme Court of Canada in Lightning Fastener Co. Ltd. V. Canadian Goodrich Co. Ltd. [1932] S.C.R. 189 at 197. Although I have some sympathy for that view (particularly in view of the wording of Section 12(2) of the Act), the Lightning Fastener decision did not deal with the current Trade-marks Act but with a predecessor statute. Thus, I consider that I am bound to follow the decision of the Federal Court of Appeal in the Lubrication Engineers case.

The issue in Section 12(1)(b) of the Act is to be determined from the point of view of an everyday user of the wares. Furthermore, the trade-mark in question must not be carefully analyzed and dissected into its component parts but rather must be considered in its entirety and as a matter of first impression: see Wool Bureau of Canada Ltd. v. Registrar of Trade Marks (1978), 40 C.P.R.(2d) 25 at 27-28 and Atlantic Promotions Inc. v. Registrar of Trade Marks (1984), 2 C.P.R.(3d). Although the legal burden is on the applicant to show that its mark is registrable, there is an evidentiary burden on the opponent to prove the allegations of fact supporting the first ground. Since the opponent failed to file any evidence directed to those allegations, the first ground is unsuccessful.

As for the second ground of opposition, the applicant has formally complied with the provisions of Section 30(i) of the Act by including the required statement in its application.

The issue then becomes whether or not the applicant has substantively complied with that subsection - i.e. - was the statement true when the application was filed? The opponent contends that the statement could not have been true because the applicant's use of its mark was contrary to the provisions of Section 58 of the Canada Post Corporation Act.

I had occasion to consider this issue in Canada Post Corp. v. 736217 Ontario Ltd. (1993), 51 C.P.R.(3d) 112 at 120 as follows:

> **I disagree with the opponent's contention. Section 58 of the Canada Post Corporation Act deals with certain offences that arise from the unauthorized use of words or marks suggesting a connection with the opponent. Section 60 of that Act indicates that the offences under Section 58 are criminal in nature and provides for a range of penalties. Thus, it was incumbent on the opponent to evidence that the applicant had been convicted of one or more of the offences spelled out in Section 58 by a court of competent jurisdiction or at least that there is a 'prima facie' case. It is beyond the jurisdiction of the Trade Marks Opposition Board to make such findings although my informal reaction based on the evidence of record is that the applicant did not contravene Section 58. In any event, the opponent has failed to meet the evidential burden on it and consequently the second ground is also unsuccessful. The present case can be contrasted with the situations in E. Remy Martin & Co. S.A. v. Magnet Trading Corp. (HK) Ltd. (1988), 23 C.P.R.(3d) 242 (T.M.O.B.) and Co-operative Union of Canada v. Tele-Direct (Publications) Inc. (1991), 38 C.P.R.(3d) 263 (T.M.O.B.) where the opponent in each case had made out a 'prima facie' case that the applicant's use of its mark was in violation of a federal statute.**

My statement that the Opposition Board cannot make such findings was intended to apply to criminal findings only. I did not intend it to apply to a finding of whether or not an opponent had made out a 'prima facie' case that there had been a contravention of Section 58 of the Canada Post Corporation Act. A finding of the latter type can be made by the Board and, as noted, has been made in at least two previous opposition cases.

At the oral hearing, the opponent's agent submitted that the 'prima facie' test set out in the Remy Martin case was based on the then applicable test for granting an interlocutory injunction and that the test in such cases is now whether or not there is a serious issue to be tried: see Turbo Resources v. Petro Canada Inc. (1989), 24 C.P.R.(3d) 1 (F.C.A.). Although she was correct in noting that in setting out the 'prima facie' test in the Remy Martin case I made reference to a Federal Court case dealing with an application for an interlocutory

injunction, that reference was illustrative only. The basis for the 'prima facie' test is the usual evidential burden on an opponent respecting a Section 30 ground (or any ground, for that matter) in an opposition proceeding. Although the onus or legal burden is on the applicant to show its compliance with the provisions of Section 30 of the Act, there is an evidential burden on the opponent to prove the allegations of fact made in support of its ground of opposition: see the opposition decision in Joseph Seagram & Sons v. Seagram Real Estate (1984), 3 C.P.R.(3d) 325 at 329-330 and the decision in John Labatt Ltd. v. Molson Companies Ltd. (1990), 30 C.P.R.(3d) 293 (F.C.T.D.). In other words, in the present case, the opponent must make out a 'prima facie' case that the applicant has not complied with the provisions of Section 30(i) of the Act.

In the present case, it was incumbent on the opponent to adduce sufficient evidence from which it could reasonably be concluded that the applicant's proposed use of its mark WAGON POST LTD. would be in contravention of Section 58 of the Canada Post Corporation Act. The opponent has filed no evidence on point and it is not readily apparent to me that the applicant's mark would suggest any connection with the opponent. The mere fact that the applicant's mark includes the word "post" does not mean that the use of that mark would contravene Section 58 of the Canada Post Corporation Act. Thus, the second ground of opposition is unsuccessful.

As for the third ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark pursuant to Section 12(1)(d) of the Trade-marks Act is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test

for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

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

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

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

The length of time the marks have been in use is not a material circumstance in the present case. The services of the parties would appear to be different. The trades of the parties would also appear to be different. Although it is conceivable that the applicant could use the opponent's services in performing its services, it is unlikely that it would do so since it would presumably be too expensive to use rapid postal services to distribute advertising and promotional materials.

As for Section 6(5)(e) of the Act, I consider there to be only a minor degree of resemblance between the marks in all respects. Both marks include the word POST but it is the second word in each mark. Furthermore, that word has no inherent distinctiveness in the context of the opponent's mark and, in fact, has been disclaimed in the opponent's

registration. The ideas suggested by the marks differ. The opponent's mark suggests faster postal services whereas the applicant's mark suggests a company name based on the frontier concept of a post or settlement where wagons would stop.

At the oral hearing, the applicant's agent submitted that I could have regard to third party marks on the trade-marks register which incorporate the word "post" and, in this regard, he referred to the Examiner's search report made during the course of the initial examination of the present application. However, that search report was not put in evidence and it would therefore be unfair to rely on it since the opponent was not given notice that the applicant would be relying on that report.

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

The material time for considering the circumstances respecting the fourth ground of opposition would appear to be the date of my decision: see Allied Corporation v. Canadian Olympic Association (1989), 28 C.P.R.(3d) 161 (F.C.A.). Furthermore, the onus is on the applicant to show that its mark is not a prohibited mark. However, to the extent that the facts alleged by the opponent are not self-evident or admitted, there is in accordance with the usual rules of evidence an evidential burden on the opponent to support the facts alleged: see page 329 of the Seagram opposition decision noted above.

The opponent is not required to evidence use and adoption of its official marks: see page 166 of the Allied decision noted above. Furthermore, the test to be applied is one of straight comparison of the marks in question apart from any marketplace considerations such as the wares, services or trades involved: see page 166 of the Allied decision and page 65 of the

decision in Canadian Olympic Association v. Konica Canada Inc. (1990), 30 C.P.R.(3d) 60 (F.C.T.D.). As stated in Section 9(1)(n)(iii) of the Act, that test is whether or not the applicant's mark consists of, or so nearly resembles as to be likely to be mistaken for, the official mark. In other words, is the applicant's mark identical to, or almost the same as, the official mark? - see Ontario Federation of Anglers and Hunters v. Murphy (1990), 34 C.P.R.(3d) 496 (T.M.O.B.)

The more pertinent of the opponent's official marks are PRIORITY POST - POSTE PRIORITAIRE, MEDIAPOSTE, PRIORITY POST COURIER and MAIL POSTE & Design and thus a consideration of the issue arising pursuant to Section 9(1)(n)(iii) of the Act respecting those marks will effectively decide the outcome of the fourth ground. The applicant's mark is clearly not identical to the opponent's official marks. Furthermore, the applicant's mark is not almost the same as any of the official marks.

Notwithstanding the foregoing, there is the argument that the fourth ground should be decided in the opponent's favor because it is the owner of a family or series of official marks incorporating the word "post" or “poste” as noted above. Although I do not consider it fair to import the concept of a family or series of marks into a Section 9 ground, I am obliged to do so: see the opposition decision in Canadian Olympic Association v. Bio-Lab Canada Inc. (1993), 48 C.P.R.(3d) 388. Thus, the existence of the opponent's small family of official marks incorporating the word "post" or “poste” broadens the test for resemblance somewhat in the present case. However, in my view, the additional components in the applicant's mark (i.e. - the words WAGON and LTD.) sufficiently distinguish it from the opponent's family of official marks: see page 395 of the Bio-Lab decision. Therefore, the fourth ground is unsuccessful.

As for the fifth ground of opposition, the opponent has relied on prior use of a number of its trade-marks and trade-names. However, it has failed to evidence use of any of those marks and names prior to the applicant's claimed date of first use. Thus, the fifth ground is also unsuccessful.

The sixth ground of opposition is based on the provisions of Sections 9(1)(d) and 12(1)(e) of the Act. The opponent contends that the applicant's trade-mark is likely to lead to the belief that the applicant's services have received or are produced, sold or performed under governmental patronage, approval or authority. As with the fourth ground, the material time respecting the sixth ground would appear to be the date of my decision. Likewise, the onus is on the applicant to show its compliance with Section 9(1)(d) but there is an evidential burden on the opponent.

I find that the opponent has not satisfied its evidential burden. The opponent has filed no evidence to show the extent of use of its trade-marks and trade-names nor has it evidenced the manner in which it uses those marks and names. The opponent contended that the foregoing can be determined by examining the Canada Post Corporation Act. I disagree. That statute indicates the mandate given to the opponent but it does not evidence how that mandate has been carried out. Furthermore, I am not prepared to take judicial notice of any specific aspects of the opponent's business beyond accepting the fact that it is the Crown corporation responsible for delivering the mail. In any event, the opponent has not shown that consumers associate the word "post" with the opponent in the context of advertising distribution services. The sixth ground is therefore unsuccessful.

As for the final ground of opposition, the material time for considering the circumstances respecting the issue of distinctiveness is as of the filing of the opposition. The onus or legal burden is on the applicant to show that its applied for trade-mark actually distinguishes or is adapted to distinguish its services from those of others throughout Canada.

There is, however, an evidential burden on the opponent to prove its supporting allegations of fact.

Since the opponent has filed no evidence on point, the most that I can assume is that there may be some association in the public mind between the word "post" and the opponent. However, that association would be in respect of ordinary postal services only, namely the

receipt and delivery of letters and packages. I have also considered that the opponent apparently enjoys a wider ambit of protection for its marks in view of Mr. Justice Muldoon's interpretation of the provisions of the Canada Post Corporation Act in the Canada Post Corp. decision discussed above. However, in the present case, the opponent has not evidenced use of any of its marks and there is nothing to suggest that the public would assume any association between the applicant and the opponent simply because the word POST is part of the applicant's mark, particularly when the applicant's mark is used for "advertising distribution services" rather than ordinary postal delivery services. Thus, I find that the applicant's mark is capable of distinguishing its services from those of the opponent. The seventh ground of opposition is therefore unsuccessful.

In view of the above, I reject the opponent's opposition.

In passing, I wish to note an aspect of this case which is somewhat troubling and which has occasionally arisen in the past. Although I have no doubt in my own mind that I have rendered today's decision in an impartial and fair manner, I am concerned as to the public perception in the present case. Since the opponent is a Crown corporation and I am a Crown employee, I am concerned that the public may perceive that the exercise of my discretion may be affected one way or the other by my employment status. In other words, in view of my dependent status and what might be viewed as a conflict of interest situation, the public may perceive that I am unduly favoring the opponent or that I am taking pains to avoid that approach and thereby prejudicing the opponent's position. As noted, I am confident that I am doing neither but I am not so sure that the appearance of the present situation inspires the same confidence in the public.

DATED AT HULL, QUEBEC, THIS 7th DAY OF FEBRUARY 1996.

David J. Martin,
Member,
Trade Marks Opposition Board.