



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

Citation: 2015 TMOB 31
Date of Decision: 2015-02-24

**IN THE MATTER OF TWO OPPOSITIONS
by S. O. Asher Consultants Ltd. to application
Nos. 1552986 and 1552987 for the trade-marks
50/50 PLUS and 50/50 PLUS DRAW in the
name of Solinsky Consulting Inc.**

APPLICATION No. 1552986 - 50/50 PLUS

FILE RECORD

[1] On November 21, 2011, Solinsky Consulting Inc. applied to register the trade-mark 50/50 PLUS based on proposed use in Canada in association with the following services:

lottery services, conducting, administering and managing lotteries, and providing consultation services in the field of lotteries.

[2] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated July 11, 2012 and was opposed by S. O. Asher Consultants Ltd. on December 10, 2012. The Registrar forwarded a copy of the statement of opposition to the applicant on January 8, 2013 as required by section 38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[3] The opponent's evidence consists of the affidavit of Andrew Asher. The applicant's evidence consists of the affidavit of Leah Young. Both parties filed written arguments and both were represented at an oral hearing held on November 12, 2014.

STATEMENT OF OPPOSITION

[4] The opponent pleads that it is the owner of the registered trade-marks 50/50 ADD-ON and TAKE 50 ADD-ON, both for use in association with the following services:

comprehensive lottery services for others, namely, advertisement provided for third parties by way of television, radio, newspaper, flyers, brochures, pamphlets, billboards and over the internet (by posting to one or more websites), management, administration, regulatory compliance, training, collections and financial reporting services relating to the conduct of lotteries.

[5] The opponent alleges that the applied-for mark 50/50 PLUS is not registrable, pursuant to section 12(1)(d) of the *Trade-marks Act*; that the applicant is not entitled to register the applied-for mark, pursuant to s.16(3)(a) of the *Act*; and that the applied-for mark is not distinctive of the applicant, pursuant to section 2.

[6] Each of the grounds of opposition turns on the issue of whether the mark 50/50 PLUS is confusing with either of the marks 50/50 ADD-ON and TAKE 50 ADD-ON.

[7] The material dates to assess the issue of confusion are the date of decision, with respect to non-registrability; the date of filing the application with respect to non-entitlement; and the date that the opposition commenced, with respect to non-distinctiveness: see *American Assn of Retired Persons v Canadian Assn of Retired Persons* (1998), 84 CPR (3d) 198 (FCTD) at 206-208 for a review of material dates in opposition proceedings. However, in the circumstances of this case, nothing turns on whether the issue of confusion is assessed at any particular material date.

Meaning of Confusion

[8] Trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the *Trade-marks Act*, shown below:

The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services . . . associated with those trade-marks are manufactured . . . or performed by the same person, whether or not the goods or services . . . are of the same general class.

[9] Thus, section 6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the applicant's services provided under the mark 50/50 PLUS would believe that those services were provided or authorized or licensed by the opponent who offers the same services under the marks 50/50 ADD-ON and TAKE 50 ADD-ON. The legal onus is on the applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

[10] Before assessing the issue of confusion, I will review the parties' evidence, the evidential burden on the opponent and the legal onus on the applicant.

OPPONENT'S EVIDENCE

Andrew Asher

[11] Mr. Asher identifies himself as Vice-President and Partner of the opponent company. The opponent's Canadian head office is in Saskatoon, Saskatchewan. The opponent provides its services, namely, developing and managing lottery programs, to non-profit organizations. As of June 7, 2013 (the date of Mr. Asher's affidavit) the opponent's clients included about 11 hospitals and health care foundations across Canada. Examples of how the opponent uses its marks are contained in various exhibits attached to Mr. Asher's affidavit.

[12] The 50/50 ADD-ON and TAKE 50 ADD-ON programs, managed by the opponent for its clients, involve the sale of single tickets for \$10; 5 tickets for \$25; and 15 tickets for \$50. The tickets are valid for a second lottery draw as well, hence the phrase "add-on." The winner of the opponent's lottery wins half the jackpot generated by the ticket sales, hence the terms 50/50 and 50. The 50/50 ADD-ON trade-mark has been used in ten fund raising campaigns while the mark TAKE 50 ADD-ON has been used twice, in the early winter and fall of 2011.

[13] Mr. Asher explains that the applicant offers the same lottery management services as the opponent and to the same client base, that is, organizations involved in health care. Further, at para.19 of his affidavit, Mr. Asher explains how the structure of the applicant's campaigns is identical to the structure of the opponent's campaigns:

"50/50 PLUS" and "50/50 PLUS DRAW [the applied-for mark]" has been used to describe a program which involves the sale of single tickets for \$10.00, 5 for \$25.00 or 15 for \$50.00. The tickets must be ordered in conjunction with a lottery ticket order. The winner wins half of the jackpot. This is the same program as the one which S.O. Asher [the opponent] utilizes its trade-marks, "50/50 ADD-ON" and "TAKE 50 ADD-ON" to describe.

[14] Mr. Asher notes that various campaigns managed by the applicant since 2012 have used the mark 50/50 PLUS but he could only locate one instance of use of the mark 50/50 PLUS DRAW.

APPLICANT'S EVIDENCE

Leah Young

[15] Ms. Young identifies herself as a trade-marks researcher employed by the agents for the applicant. In September 2013 she conducted a search of the trade-marks register for active marks which incorporate "50" or "fifty" used in association with goods or services related to lotteries or raffles. The results are attached as Exhibit 1 to her affidavit. By my count, about eight such third party marks were located. Exhibit 1 is of little probative value because too few marks were located for me to infer that such marks are in common use.

[16] Exhibit 2 provides the results of a search for marks incorporating "add on," however, the search appears not to have been confined to goods or services related to lotteries or raffles and, in any event, few marks were located for use in association with lotteries or raffles. Exhibit 2 is of no probative value.

[17] Ms. Young also conducted various Internet searches to locate Canadian lotteries and raffles using the terms 50/50 ADD-ON; 50 ADD ON; ADD ON; 50/50; and 50. The results of her searches are attached as Exhibits 3 to 37. In my view, this uncontested evidence permits me to infer that such terms are commonly used as components of trade-marks used in association with lotteries or raffles.

EVIDENTIAL ONUS AND LEGAL BURDEN

[18] In accordance with the usual rules of evidence, there is an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 CPR (3d) 293 at 298 (FCTD). The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist. There is also a legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition (for those allegations for which the opponent has met its evidential burden). The presence of a legal onus on the applicant means that if a determinate conclusion, based on the usual civil balance of probabilities standard, cannot be reached once all the evidence is in, then the issue must be decided against the applicant.

GROUND OF OPPOSITION BASED ON SECTION 16(3)(A) – ENTITLEMENT TO REGISTRATION

[19] The requirements for an opponent to support an allegation of non-entitlement are set out in sections 16(3)(a) and 17(1) of the *Trade-marks Act*, shown below:

16. (3) Any applicant who has filed an application in accordance with section 30 for registration of a proposed trade-mark that is registrable is entitled, subject to sections 38 and 40, to secure its registration in respect of the goods or services specified in the application, unless at the date of filing of the application it was confusing with

(a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;

17. (1) No application for registration of a trade-mark that has been advertised in accordance with section 37 shall be refused and no registration of a trade-mark shall be expunged or amended or held invalid on the ground of any previous use or making known of a confusing trade-mark or trade-name by a person other than the applicant for that registration or his predecessor in title, except at the instance of that other person or his successor in title, and the burden lies on that other person or his successor to establish that he had not abandoned the confusing trade-mark or trade-name at the date of advertisement of the applicant's application.

Accordingly, an opponent alleging non-entitlement must rely on its own use of its marks, or use that inures to the benefit of the opponent pursuant to the licensing provisions in section 50 of the *Trade-marks Act*; an opponent cannot rely on third party use of a mark.

[20] In the instant case, the opponent has pleaded that it had used its marks 50/50 ADD-ON and TAKE 50 ADD-ON prior to the filing date (November 21, 2011) of the applied-for mark 50/50 PLUS. The applicant argues that the opponent has not met its evidential burden to establish use of its marks, which use may include advertising (see section 4(2) of the *Trade-marks Act*), at any material time. I agree with the applicant. In this regard, various examples of alleged use of the opponent's marks are shown in the exhibits to Mr. Asher's affidavit. The exhibits show use of the marks 50/50; 50; 50/50 ADD-ON; and ADD-ON, however, in my view, such use is by third parties namely, the opponent's clients who will profit by the fund raising campaign. The message received by the public in the examples of advertising shown in the opponent's exhibits is that it is the third parties who are using the aforementioned marks. Further, there is no evidence indicating the existence of trade-mark license agreements between the opponent and any of the third parties. In such circumstances, use of the aforementioned marks does not inure to the benefit of the opponent. Accordingly, the second ground of opposition is rejected for the reason that the opponent has failed to meet its statutory requirement to show its own prior use of the marks it is relying on.

GROUND OF OPPOSITION BASED ON SECTION 2 - DISTINCTIVENESS

[21] As noted earlier, the material date for deciding the issue of distinctiveness is the date of opposition, December 10, 2012. In the circumstances of this case, and having regard to the pleadings in the statement of opposition, the opponent is alleging non-distinctiveness of the applied-for mark 50/50 PLUS based on the opponent's use and advertising of its marks. However, I have found that the opponent cannot claim that the evidence of use or advertising of the marks that it is relying on is in fact use or advertising by the opponent. Accordingly, the third ground of opposition is rejected for the reason that the opponent has failed to meet its evidential burden to show that the marks it is relying on are distinctive of its services.

GROUND OF OPPOSITION BASED ON SECTION 12(1)(D) - REGISTRABILITY

[22] There is no provision in the *Trade-marks Act* which requires the opponent to show use of its registered mark to support a ground of opposition pursuant to section 12(1)(d). The existence of the registration suffices. I will first consider the issue of confusion between the applied-for

mark 50/50 PLUS and 50/50 ADD-ON as it more closely resembles the applied-for mark than TAKE 50 ADD-ON resembles the applied-for mark. If the applied-for mark 50/50 PLUS is not confusing with the mark 50/50 ADD-ON, then it is also not confusing with the mark TAKE 50 ADD-ON.

Test for Confusion

[23] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are “all the surrounding circumstances including” those specifically mentioned in sections 6(5)(a) to 6(5)(e) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as the weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 CPR(3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 CPR(4th) 361 (SCC), although the degree of resemblance is the last factor cited in section 6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

Inherent and Acquired Distinctiveness; Length of Time in Use;

Nature of Services and Trade

[24] Neither of the parties’ marks 50/50 PLUS and 50/50 ADD-ON are particularly inherently distinctive. The component 50/50 is not uncommon in lotteries as it indicates what portion of the “pot” will go to the winner. It is a descriptive phrase in the context of lotteries and the like. Similarly, the components PLUS and ADD-ON are not uncommon in lotteries as they indicate an additional “side lottery” to the main lottery. They are descriptive phrases in the context of lotteries and the like. The parties’ marks are weak marks. Further, neither party has evidenced use of their marks and therefore I am unable to attribute any acquired distinctiveness to their marks. The first factor, which is a combination of inherent and acquired distinctiveness, therefore favours neither party.

[25] The length of time that the parties' marks have been in use favours the applicant slightly as there is some evidence that the applicant has used its mark (see para. 14, above) while there is no evidence that the opponent has used its marks (see para. 20, above). The second factor therefore favours the applicant but only slightly. The nature of the parties' services and trades are the same. The third and fourth factors therefore favour the opponent.

Resemblance Between the Marks in Issue

[26] The last factor, and generally the most important, is the degree of resemblance between the parties' marks. The opponent's mark 50/50 ADD-ON and the applied-for mark 50/50 PLUS both begin with the same component 50/50, and it is the first portion of a mark that is generally the more important for the purposes of distinction: see *Conde Nast Publications Inc. v. Union Des Editions Modernes* (1979) 26 CPR(2d) 183 at 188 (FCTD). However, when the first component is a common, descriptive or suggestive word, as in the instant case, the significance of the first component is lessened: see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 CPR (2d) 183 (FCTD); *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.*, (1991), 37 CPR (3d) 413 (FCA); *Phantom Industries Inc. v. Sara Lee Corp.* (2000), 8 CPR (4th) 109 (TMOB).

[27] The visual and aural similarities between the marks owe solely to the first component 50/50. When the parties' marks are considered in their entireties visually and aurally, and discounting to some extent the importance of the first component 50/50, the marks are slightly more different than similar. However, the parties' marks resemble each other strongly in ideas suggested as the terms ADD-ON and PLUS are near synonyms. When all three aspects of resemblance are considered together, that is, including the ideas suggested by the marks, then the marks are somewhat more alike than different. The last factor therefore favours the opponent, but only slightly.

Jurisprudence

[28] There are also two principles of trade-mark law that, in the circumstances of the instant case, weigh in favour of the applicant under the last factor in section 6(5). The first principle is that comparatively small differences may suffice to distinguish between "weak" marks, that is,

between marks of low inherent distinctiveness: see *GSW Ltd. v. Great West Steel Industries Ltd.* (1975), 22 CPR(2d) 154 (FCTD). Further, the opponent has not presented any evidence of use of its mark so as to entitle the opponent to a broadened scope of protection owing to acquired distinctiveness.

[29] I have also taken guidance from a recently issued decision of this Board, *Breville Pty Limited v Keuring Green Mountain, Inc*, 2014 TMOB 248 (CanLII). In that case, the owner of the marks YOUBREW and BREW IQ opposed the applied-for mark MYBREW for use in association with electric brewing machines. The Board noted as follows:

[27] In considering the degree of resemblance, the Supreme Court of Canada in *Masterpiece* [(2011), 2011 SCC 27 (CanLII); 92 CPR (4th) 361 (SCC)], *supra* sets out that resemblance is defined as the quality of being either like or similar (para 62) and that the approach to assessing resemblance should involve a consideration of whether there is an aspect of a trade-mark that is particularly striking or unique (para 64). In this case, there is nothing striking or unique about the word BREW given that the goods of each party relate to brewers and products to be used with them [see, for example, *Molson Companies Ltd v John Labatt Ltd* (1994), 58 CPR (3d) 527 (FCA)]. Similarly, the prefix component of the parties' marks (a personal pronoun) is not particularly striking or unique given that consumers often use brewing machines to make beverages for themselves.

[28] The parties' trade-marks therefore resemble each other to some extent in appearance and as sounded since they both share the suffix component BREW. While the parties' trade-marks YOUBREW and MYBREW suggest the same idea, a brewer which allows for customizing of and individual's beverages, there can be no monopoly in this type of idea [*American Assn of Retired Persons v Canadian Assn. of Retired Persons/Assoc Canadienne des Individus Retraités* (1998), 84 CPR (3d) 198 at para 34 (FCTD)]. (emphasis added)

[30] Similarly, in the instant case, the prefix and suffix components of the parties' marks are not particularly striking or unique given that the marks are used in association with lottery services, and there can be no monopoly for marks which suggest that the winner receives half of the lottery pot.

Conclusion

[31] Considering the factors in section 6(5) as discussed above, and taking into account in particular that the opponent's mark is a weak mark and not entitled to a broad scope of protection, I find that the applicant has met the legal onus on it to show, on a balance of

probabilities, that there is no reasonable likelihood of confusion between the applied-for mark 50/50 PLUS and the opponent's mark 50/50 ADD-ON. As discussed earlier, it follows that the applied-for mark is also not confusing with the opponent's mark TAKE 50 ADD-ON.

APPLICATION No. 1552987 - 50/50 PLUS DRAW

[32] The application and file history for the mark 50/50 PLUS DRAW is congruent with the 50/50 PLUS application and file history. The issues, evidence, material dates and considerations in the 50/50 PLUS DRAW opposition are entirely analogous to those in the 50/50 PLUS opposition, with one minor exception: there is somewhat less resemblance between the applied-for mark 50/50 PLUS DRAW and the opponent's marks owing to the last component DRAW (although the term DRAW functions as a synonym to the word lottery and is therefore a descriptive term which adds little to the distinctiveness of the applied-for mark). The changed circumstance favours the applicant, but only slightly. It follows that I make the same findings with respect to the grounds of opposition in the 50/50 PLUS DRAW opposition as I made in the 50/50 PLUS opposition.

DISPOSITION

[33] In view of the foregoing, the oppositions to the marks 50/50 PLUS and 50/50 PLUS DRAW are rejected. These decisions have been made pursuant to a delegation of authority by the Registrar of Trade-marks under section 63(3) of the *Trade-marks Act*.

Myer Herzig, Member,
Trade-marks Opposition Board
Canadian Intellectual Property Office