

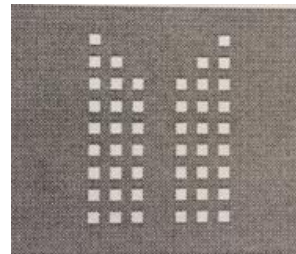
[2] The application was advertised on June 12, 2013.

[3] On August 12, 2013, Mainstreet Equity Corp. (the Opponent) filed a statement of opposition alleging the following grounds:

- (a) The application does not comply with section 30(b) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) as the Mark has not been used in Canada with the Services since the date of first use, or at all.
- (b) The Applicant is not the person entitled to registration of the Mark in view of section 16(1) of the Act since at the alleged date of first use, it was confusing with the Opponent's Trade-Marks, set out below, previously used by the Opponent in association with real estate services and real estate rental services.



MAINSTREET EQUITY CORP. &
Design Trade-mark



Skyscrapers Design Trade-mark

- (c) The Mark is not distinctive in that it is not adapted to distinguish and does not actually distinguish the Services from the services of the Opponent having regard to the use and advertisement of the Opponent's Trade-Marks.

[4] The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

[5] The Opponent filed as its evidence the affidavit of Johnny Lam, its Chief Executive Officer and Chief Operating Officer (Lam affidavit, para 1). The Applicant filed as its evidence

the affidavits of Jeffrey D. Sherman, its Chief Financial Officer (Sherman affidavit, para 1) and Alicia Stephenson, a legal assistant and clerk employed by its agent (Stephenson affidavit, para 1).

[6] Both parties filed a written argument and attended a hearing.

Material Dates and Onus

[7] While various grounds of opposition are pleaded, the determinative issue for decision is whether the Mark is confusing with the Opponent's Trade-marks. The earliest material date to assess the issue of confusion is the date of first use alleged in the application while the latest material date is the date the statement of opposition was filed [see section 16(1) of the Act and *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

[8] Before considering the issue of confusion between the parties' marks, it is necessary to review some of the technical requirements with regard to (i) the evidential burden on an opponent to support the allegations in the statement of opposition and (ii) the legal onus on an applicant to prove its case.

[9] With respect to (i) above, there is an evidential burden on an opponent to prove the facts in its allegations pleaded in the statement of opposition: *John Labatt Limited v Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298. 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. With respect to (ii) above, the legal onus is on an applicant to show that the application does not contravene the provisions of the Act as alleged by an opponent (for those allegations for which the opponent has met its evidential burden). The presence of a legal onus on an applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against it.

Grounds of Opposition

Section 16(1)(a) Ground of Opposition

[10] With respect to the section 16(1)(a) ground of opposition, the Opponent has an initial evidential burden of establishing that one or more of the Opponent's Trade-marks was used prior to the date of first use alleged in the application (May 2012) and that it was not abandoned at the date of advertisement (June 12, 2013) [section 16(5) of the Act].

[11] I consider that the Opponent's best chance of success is with respect to its Skyscrapers Design Trade-mark and as such will focus my analysis on this trade-mark.

The Opponent Meets Its Burden

[12] Mr. Lam's evidence is sufficient to meet the Opponent's initial evidentiary burden since it provides evidence of use of the Opponent's Skyscrapers Design Trade-mark prior to May 2012 and continuing through 2014 (see, for example, Exhibit S – photographs of representative signage used from 2004 onwards and Exhibit L – a photocopy of a business card from 2014). As the Opponent has satisfied its initial burden, the Applicant must therefore establish, on a balance of probabilities, that as of the date of first use in the application, namely, May 2012, there was not a reasonable likelihood of confusion between its Mark and the Opponent's Skyscrapers Design Trade-mark.

Is there confusion between the Mark and the Opponent's Skyscrapers Design Trade-mark?

[13] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated that the use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would likely lead to the inference that the goods and services associated with those trade-marks are manufactured, sold or leased by the same person, whether or not the goods and services are of the same general class. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time the trade-marks have been in use; the nature of the goods and

services or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance, or sound or in the ideas suggested by them.

[14] These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [see *Mattel, Inc v 3894207 Canada Inc*, [2006] 1 SCR 772 (SCC) at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc* [2011] 2 SCR 387 at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

inherent distinctiveness

[15] The Mark and the Opponent's Skyscrapers Design Trade-mark possess a limited degree of inherent distinctiveness as both suggest that the parties' services are related to buildings and real estate. Specifically, the Mark suggests that the Services are related to skyscrapers or other high-rise buildings. Likewise, the Opponent's Skyscrapers Design Trade-mark suggests that the Opponent's real estate and real estate rental services involve skyscrapers or high-rise buildings.

extent known and length of time in use

[16] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. There is no evidence that the Mark was known to any extent in Canada as of May 2012 (Sherman affidavit, para 11).

[17] In contrast, the Opponent's Skyscrapers Design Trade-mark was known to some extent in Canada as of this date. Mr. Lam explains that the Opponent is in the business of acquiring, redeveloping, renovating and managing mid-market rental properties (Lam affidavit, para 2). In 2012, the Applicant owned and operated over 8000 rental units with a market value of over \$1 billion (Lam affidavit, Exhibit C, pg 4). Mr. Lam's evidence is that the Opponent's Skyscrapers Design Trade-mark has been in use on its Annual Reports since at least 2002 (Lam affidavit, Exhibit II), on its website *www.mainstreet.biz* which advertises rentals by city in at least 2006 (Lam affidavit, Exhibit Z), in pamphlets and flyers featuring available rentals by building since prior to May 2012 (paras 22-24, Exhibits R-T), on its Twitter account since August 30, 2010

(Exhibit FF), and on signage outside its apartment buildings since at least 2004 (para 23, Exhibit S).

[18] The Applicant submits that Mr. Lam's evidence is often ambiguous as to whether the Opponent's Skyscrapers Design Trade-mark or its MAINSTREET EQUITY CORP. & Design Trade-mark is being used. The Applicant states in its written argument:

... owing to the ambiguities in the opponent's Affidavit evidence surrounding the issue of which trade-mark or trade-marks make up the Opponent's alleged family of trade-marks, that the only trade-mark in respect of which any significant use has been demonstrated by the Opponent is the [MAINSTREET EQUITY CORP. & Design Trade-mark].

[19] While Mr. Lam's evidence could have been more precise, since he has provided considerable documentary evidence of the use of the Opponent's Skyscrapers Design Trade-mark and indicates that the documents and signage detailed in paragraph 17 above (which all contain this trade-mark) are representative, there is sufficient information from which I can find that the Opponent's Skyscrapers Design Trade-mark is known to some extent in Canada. In any event, I also consider that the Opponent's trade-mark MAINSTREET EQUITY CORP. & Design to be a composite trade-mark such that use of this trade-mark also constitutes use of the Skyscrapers Design trade-mark [*Nightingale Interloc Ltd v Prodesign* (1984), 2 CPR (3d) 535 (TMOB)].

the degree of resemblance

[20] When considering the degree of resemblance between the marks, the law is clear that the marks must be considered in their totality; it is not correct to lay the trade-marks side by side and compare and observe similarities or differences among the elements or components of the marks [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 at para 20]. The Supreme Court in *Masterpiece*, *supra* [at para 64] advises that the preferable approach when comparing marks is to begin by determining whether there is an aspect of the trade-marks that is particularly striking or unique.

[21] Keeping in mind the above, I assess that there is a high degree of resemblance between the trade-marks at issue. The most striking feature of each of the parties' trade-marks is that these trade-marks are comprised of a depiction of skyscrapers or other large buildings which are formed through the grouping of squares and rectangles. To the extent that both marks suggest services related to skyscrapers or other large buildings, the ideas suggested are the same, however, I do not consider that either party would be entitled to a monopoly in respect of such an idea as applied to the respective services of the parties.

nature of the goods, services, business or trade

[22] Mr. Lam explains that the Opponent is a real estate company dedicated to the acquisition, management and divestiture of multi-family residential rental properties (Lam affidavit, Exhibit II). In its statement of opposition, the Opponent alleges that the Mark is confusing with the Opponent's Skyscrapers Design Trade-mark used in association with real estate services and real estate rental services. These services involving renting renovated individual units to the public and managing the properties (Lam affidavit, para 2).

[23] The Applicant's business is that of sourcing and brokering mortgages and financial investments in real estate projects (Sherman affidavit, para 6). Its licensee, Atrium, is a non-bank provider of both residential and commercial mortgages and its customers are developers and other borrowers who require mortgage financing, but who do not fit the criteria of the charter banks (Sherman affidavit, para 7-8). The Applicant's advertisements and financial reports show that its services include providing financing and/or mortgages for development including land and land assembly, low-rise and midrise condominiums, bridge and term financing, infill construction financing, and mortgages including first or second mortgages on income-producing real estate up to a maximum of 85% of value (see, for example, Sherman affidavit, Exhibits C, F and H, Annual Report 2013, pg 28).

[24] It appears that the overlap in the nature of services and trade is tangential at best since the parties' services are targeted at different customers with different needs (those looking for rental accommodations versus those looking for financing and mortgages). The nature of the business of the parties, however, appears to overlap since the Applicant is in the business of providing

financing to those in the real estate field including those that offer rentals (Sherman affidavit, Exhibit F and H).

surrounding circumstances: Parties' Use the Trade-marks in Information for Investors

[25] The Applicant and the Opponent also filed Annual Reports and other financial reporting setting out information about their finances and businesses (Sherman affidavit, Exhibit H; Lam affidavit, Exhibits GG-KK). While both parties appear to seek and target investors, the Mark does not claim any such services and the Opponent does not reference any such services in the statement of opposition. As such, I do not consider this to be a particularly relevant surrounding circumstance.

state of the register evidence

[26] The Applicant has filed evidence of the results of a trade-mark search to locate trade-marks which include abstract and geometrical representations of building designs (Stephenson affidavit, para 2). State of the register evidence can be used to make inferences about the state of the marketplace, but only where large numbers of relevant registrations are located [*Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432; *Del Monte Corporation v Welch Foods Inc* (1992), 44 CPR (3d) 205 (FCTD); *Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA)]. While there are large numbers of “buildings” marks on the register, the vast majority of these do not resemble the Opponent’s trade-mark other than for the reason that they show a skyscraper or other tall building. Furthermore, many of the trade-marks located are for unrelated goods and services.

[27] As I understand it, the Applicant wishes me to conclude from the register evidence that skyscraper designs are so common in the field of real estate, that the Opponent’s trade-marks including its Skyscrapers Design Trade-mark should only be granted a very narrow scope of protection. I agree that the Opponent ought not to be able to prevent the use of any design consisting of a building or skyscraper. However, both the Mark and the Opponent’s Skyscraper Design Trade-mark feature a building or buildings created by the grouping of small square and/or rectangular shapes. There is simply insufficient evidence to conclude that consumers are used to distinguishing such highly similar designs.

Conclusion

[28] The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the Mark when he or she has no more than an imperfect recollection of the Opponent's Skyscrapers Design Trade-mark, and does not pause to give the matter any detailed consideration or scrutiny [*Veuve Clicquot Ponsardin, supra*].

[29] Having regard to all the surrounding circumstances set out above, in particular the similarity between the parties' trade-marks, the overlap in the nature of the business of the parties, and the fact that only the Opponent has evidenced use of its Skyscrapers Design Trade-mark at the material date, I conclude that the Applicant has not discharged its burden of establishing, on a balance of probabilities, that the Mark is not confusing with the Opponent's trade-marks. This ground of opposition is successful.

Section 2 Ground of Opposition

[30] In order to meet its evidentiary burden under this ground of opposition, the Opponent has to show that as of the filing of the statement of opposition one or more of the Opponent's Trade-marks had become sufficiently known to negate the distinctiveness of the Mark [*Bojangles' International, LLC v Bojangles Café Ltd* 2006 FC 657 at para 34]. The evidence summarized in paragraph 17 of my decision is sufficient to meet the Opponent's burden.

[31] For the most part, my findings regarding the issues pertaining to the ground of opposition based on non-entitlement also apply to this ground. The only circumstance that appears to differ between my assessment of the section 16(1) ground of opposition and this ground is that the Applicant has evidenced use of the Mark in Canada by this later material date (see, for examples, the advertisements set out in the Sherman affidavit, Exhibits A1-3, C1-5, D1-D3 and E). This evidence allows me to find that the Mark is also known to some extent in Canada. It, however, does not show that there is sufficient simultaneous use of the parties' trade-marks such that I may infer that confusion is unlikely in the absence of evidence of actual confusion. Considering the circumstances as a whole and, in particular, the resemblance of the designs at issue, I conclude that the balance of probabilities are evenly balanced between a finding that the Mark is

distinctive and one that it is not. As such, the Applicant has not met its legal onus and this ground of opposition is successful.

Section 30(b) Ground of Opposition

[32] The Opponent alleges that the Applicant has not used the Mark in Canada in association with the Services as of the date of first use alleged in the application. As there is no evidence to support such an allegation, this ground of opposition is rejected.

Disposition

[33] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(8) of the Act.

Natalie de Paulsen
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Hearing Date: 2015-05-19

Appearances

Elizabeth A. Williams For the Opponent

Nancy A. Miller For the Applicant

Agents of Record

Norton Rose Fulbright For the Opponent

Fogler, Rubinoff LLP For the Applicant