

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

Citation: 2015 TMOB 88 Date of Decision: 2015-05-25

IN THE MATTER OF OPPOSITIONS by Metroland Media Group Ltd. to application Nos. 1,527,871 and 1,540,665 for the trade-marks FLYERTOWN and FLYERTOWN & Design in the name of Wishabi, Inc.

Introduction

[1] Wishabi, Inc. (the Applicant) has applied to register the trade-mark FLYERTOWN (the Word Mark) and FLYERTOWN & Design (the Design Mark) shown below (collectively the Marks), based upon proposed use in Canada.



[2] Metroland Media Group Ltd. (the Opponent) has opposed the applications primarily on the basis that there is a reasonable likelihood of confusion between the Marks and the Opponent's registered marks FLYERLAND and FLYERLAND.CA & Design, shown below.



- [3] Both parties' services include, among others, promoting and marketing the goods and services of others through online flyers.
- [4] For the reasons that follow, I reject the oppositions.

The Record

[5] On May 13, 2011, and August 22, 2011 respectively, the Applicant filed application No. 1,527,871 for the registration of the Mark and application No. 1,540,665 for the Design Mark, both based on proposed use in association with the following services:

Advertising the goods and services of others; Promoting and marketing the goods and services of others through interactive website featuring online shopping, online flyers, advertisements, coupons, and promotional offers; Operating an electronic commerce website connecting site visitors to the merchants and manufacturers through online shopping, online flyers, advertisements, coupons and promotional offers; Software as a service (SAAS) provider for providing web-based computer software and database to create, store, publish, and deliver online flyers, advertisements, coupons and promotional offers; Software as a service (SAAS) provider for providing web-based computer software and database to track, log and analyze consumer online searching and shopping habits.

Both applications were advertised on January 11, 2012, and the Opponent filed statements of opposition against both applications on June 6, 2012, based on the following grounds of opposition set out under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act): non-compliance with section 30(i), non-registrability under section 12(1)(d), non-entitlement under sections 16(3)(a) and (b) of the Act, and non-distinctiveness under section 38(2)(d) and section 2. Most of these grounds turn on a determination of the likelihood of confusion between the Marks and the Opponent's registered marks FLYERLAND, registration No. TMA769,135 and FLYERLAND.CA & Design, registration No. TMA768,681, both registered in association with the following services: (1) Promoting and marketing the goods and services of others through online flyers, advertisements, coupons, promotional offers, catalogues, magazines and advertised specials.

[6] The Applicant filed a counter statement in both cases denying the grounds of opposition and also requested an interlocutory ruling striking various paragraphs from the statements of opposition. The Opponent filed an amended statement of opposition in each case on September

- 17, 2012. An interlocutory ruling issued in both cases on September 26, 2012, granting the Opponent leave to file its statements of opposition as amended and also striking the section 16(3)(b) ground from the statements of opposition.
- In support of both of its oppositions, on December 18, 2012 the Opponent filed the affidavit of Callie Hirsche, as well as certified copies of its registration Nos. TMA768,681 for FLYERLAND.CA & Design and TMA769,135 for FLYERLAND. On May 1, 2013, the Opponent was granted leave in both cases pursuant to section 44(1) of the *Trade-mark Regulations* SOR/96-195 (the Regulations) to file the affidavit of Terry Kukle in substitution for the affidavit of Callie Hirsche because she was no longer employed with the Opponent and therefore not available for cross-examination. On October 29, 2013, in view of Mr. Kukle's failure to attend for cross-examination, his affidavit was deemed to no longer be part of the Opponent's evidence in both cases pursuant to section 44(5) of the Regulations.
- [8] As its evidence in both cases, the Applicant filed the affidavit of Matthew Cheung, and two affidavits of Jane Buckingham. Neither of the Applicant's affiants was cross-examined.
- [9] In each case, only the Applicant filed a written argument. While the Applicant also requested an oral hearing in each case, such request was subsequently withdrawn.

Onus

[10] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial 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 [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (FCA)].

Grounds of Opposition Summarily Dismissed

- [11] The Opponent has pleaded that the applications do not comply with the provisions of section 30 in that the Applicant could not have been satisfied that it is entitled to use the Marks in Canada in association with the applied for services since the Applicant was or should have been aware of the Opponent's FLYERLAND and FLYERLAND.CA & Design trade-marks previously used in Canada with the Opponent's services.
- [12] Section 30(i) of the Act merely requires that an applicant declare in its application that it is satisfied that it is entitled to registration of its trade-mark. Where an applicant has provided the requisite statement, a section 30(i) ground should only succeed in exceptional cases, such as where there is evidence of bad faith on the part of the applicant [Sapodilla Co Ltd v Bristol-Myers Co (1974), 15 CPR (2d) 152 (TMOB) at 155]. Mere knowledge of the existence of an opponent's trade-mark does not in and of itself support an allegation that an applicant could not have been satisfied of its entitlement to use its trade-mark [Woot, Inc v Woot Restaurants Inc Les Restaurants Woot Inc 2012 TMOB 197 (CanLII)].
- [13] In the present case there is no evidence that the Applicant could not have been satisfied that it was not entitled to use the Marks in Canada. This ground is accordingly dismissed.

Section 16(3)(a) - non-entitlement

- [14] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Marks in view of the Opponent's prior use and making known of its FLYERLAND and FLYERLAND.CA & Design trade-marks. While the Opponent referred to section 16(1)(a) in both of its statements of opposition, I am prepared to infer that the Opponent had meant to rely on section 16(3)(a) instead in view that both applications are based on proposed use.
- [15] With respect to this ground of opposition, there is an initial burden on the Opponent to evidence use or making known of its trade-marks prior to the Applicant's filing dates and show that it had not abandoned its trade-marks as of the date of advertisement of the applications for the Marks [section 16(5)].

- [16] The only evidence of the Opponent in the present case are certified copies of both of its registrations. It has previously been held, however, that the mere filing of a certified copy of a registration will not support an opponent's evidential burden with respect to a ground of opposition based on an allegation of non-entitlement [*Entre Computer Centers, Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)].
- [17] Accordingly, this ground of opposition is dismissed in both cases.

Section 2 - non-distinctiveness

- [18] The Opponent has pleaded that the Marks do not distinguish and are not adapted to distinguish the Applicant's services from the services of the Opponent, in association with which it has used its FLYERLAND and FLYERLAND.CA & Design trade-marks.
- [19] In order to satisfy its initial burden with respect to a distinctiveness ground of opposition, the Opponent's evidence must show that at least one of its trade-marks had become known sufficiently as of the commencement of the opposition to negate the distinctiveness of the applied-for trade-marks [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC) and *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 at 58 (FCTD)].
- [20] In this case, the Opponent has not filed any evidence of use or making known of either of its marks. It has therefore failed to meet its initial burden.
- [21] Accordingly, this ground of opposition is dismissed in both cases.

Remaining Ground of Opposition

Section 12(1)(d) – non-registrability

[22] The Opponent has pleaded that the Marks are not registrable pursuant to section 12(1)(d) of the Act because the Marks are confusing with the trade-marks FLYERLAND, registration No. TMA769,135 and FLYERLAND.CA & Design, registration No. TMA768,681.

- [23] The material date with respect to this ground of opposition is the date of my decision [Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks (1991), 37 CPR (3d) 413 (FCA)].
- [24] Both of the Opponent's registered marks are in good standing. As the Opponent's evidentiary burden has been satisfied in each case, the Applicant must therefore establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between either of the Marks and the Opponent's trade-marks.

test for confusion

- [25] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that 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, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class. In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; b) the length of time each has been in use; c) the nature of the goods, services or business; d) the nature of the trade; and e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them.
- [26] This list of enumerated factors is not exhaustive and it is not necessary to give each one of them equal weight [Mattel, Inc v 3894207 Canada Inc. (2006), 49 CPR (4th) 321 (SCC); Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée (2006), 49 CPR (4th) 401 (SCC)]. In Masterpiece Inc v Alavida Lifestyles Inc et al (2011), 92 CPR (4th) 361 (SCC), the Supreme Court of Canada indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the marks.

section 6(5)(a) – the inherent distinctiveness of the trade-marks and the extent to which each trade-mark has become known

- [27] None of the marks are inherently strong. In this regard, both parties' word and design marks are comprised of the ordinary dictionary word FLYER in combination with a word with geographical significance (i.e. town and land). Further, all of the marks at issue are somewhat descriptive of both parties' associated advertising and promotional services.
- [28] The Opponent's design mark also includes the design of the supermarket cart as part of the letter F as well as the domain name code ".ca". The Applicant's Design Mark includes the fanciful design of two houses. I do not consider either of these additional features to add much inherent distinctiveness to either party's design mark.
- [29] The scope of protection afforded to a mark increases if the mark has acquired distinctiveness. The evidence of the Applicant's affiant, Mr. Cheung, Chief of Product Development of the Applicant, is that the Marks have been used extensively and continuously in Canada since October 11, 2011. In this regard, the Applicant's commercial partners for the FLYERTOWN services include national retailers such as The Bay, Future Shop, Sears, Walmart and Home Depot [para. 7]. The FLYERTOWN distribution network includes the National Post, the Vancouver Sun, the Ottawa Sun, Bell Media, MSN Canada and CTV [para. 8]. In December of 2013, approximately 800,000 Canadians visited the MSN, Winnipeg Free Press and *flyertown.ca* hosted sites displaying the FLYERTOWN trade-mark [para. 16]. Also in 2013, sales of the FLYERTOWN services generated approximately \$1,000,000 in revenue [para. 19]. In view of this evidence, I am satisfied that the Marks have become known to some extent in Canada.
- [30] On the other hand, there is no evidence of any use or making known of either of the Opponent's marks.
- [31] Based on the foregoing information, I conclude that overall this factor favours the Applicant.

section 6(5)(b) - the length of time each trade-mark has been in use

[32] The Applicant has shown use of the Marks since October 11, 2011. While the Opponent's registrations are based on declarations of use filed May 17, 2010, as previously

noted these registrations can establish no more than *de minimis* use [*Entre Computer Centers*, *Inc*, *supra*]. This factor therefore does not significantly favour either party.

sections 6(5)(c) and (d) - the nature of the goods, services or business; the nature of the trade

- [33] It is the Applicant's statement of services as defined in its applications versus the Opponent's registered services that govern my determination of this factor [Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc (1986), 12 CPR (3d) 110 (FCA); Mr Submarine Ltd v Amandista Investments Ltd (1987), 19 CPR (3d) 3 (FCA); Miss Universe Inc v Bohna (1994), 58 CPR (3d) 381 (FCA)].
- [34] For ease of reference, I reproduce the parties' services below:

Applicant's Services

Advertising the goods and services of others; Promoting and marketing the goods and services of others through interactive website featuring online shopping, online flyers, advertisements, coupons, and promotional offers; Operating an electronic commerce website connecting site visitors to the merchants and manufacturers through online shopping, online flyers, advertisements, coupons and promotional offers; Software as a service (SAAS) provider for providing web-based computer software and database to create, store, publish, and deliver online flyers, advertisements, coupons and promotional offers; Software as a service (SAAS) provider for providing web-based computer software and database to track, log and analyze consumer online searching and shopping habits.

Opponent's Services

- (1) Promoting and marketing the goods and services of others through online flyers, advertisements, coupons, promotional offers, catalogues, magazines and advertised specials.
- [35] In his affidavit, Mr. Cheung states that the Applicant's digital circular platform is different from other digital circular platforms because it offers a dynamic, interactive browsing and shopping experience. In this regard, he states the following at para. 6:

The FLYERTOWN platform allows a consumer to view top promotions in their area, pan across high resolution flyers and zoom into specific products. Users are able to apply filters to identify or sort items by discount level (i.e. 40% off), by retailer, by category, a search across multiple flyers at once to find the best deal on a particular item. The interactive FLYERTOWN experience integrates item descriptions, reviews, inventory

levels, recipes, videos and links to buy online. Users can then share the information they find through social networks such as Facebook or Twitter. No other digital circular platform offers such a range of options.

- [36] As noted above, the evidence shows that the Applicant's services are marketed to both commercial retailers as well as general consumers. The Applicant's retail partners include Target, The Bay, Best Buy, The Future Shop, Sears, among others. The Applicant works directly with retailers to develop and implement an online circular strategy. Further, both digital circular hosted services, i.e. hosting the retailer's digital flyer on the retailer's website, and distribution services are available. The distribution service relates to the distribution of the retailer's digital flyer on the Applicant's distribution network, which includes www.flyertown.ca, the Postmedia Network (eg. National Post, Vancouver Sun, Ottawa Sun), Bell Media, MSN Canada, CTV, Shaw and Winnipeg Free Press.
- [37] In view of the evidence furnished, the Applicant submits that the nature of at least some of the parties' services is different. In this regard, the Applicant submits the following:

While there is some overlap between the Opponent's and the Applicant's services, the FLYERTOWN services extend beyond the mere provision of advertising the goods and services of others in digital circulars. The software design behind the FLYERTOWN digital circular platform provides a uniquely innovative and interactive experience. It is the patent pending software design and original consumer service model that distinguishes the FLYERTOWN services from those offered by third parties, such as the Opponent.

- [38] In my view there is indeed some overlap between the parties' services to the extent that both advertise and promote the goods and services of others through digital circulars. The parties' channels of trade for these services would therefore presumably overlap.
- [39] I do find, however, that as explained in the Applicant's evidence, the nature of the Applicant's "software as a service (SAAS) provider for providing web-based computer software and database to track, log and analyze consumer online searching and shopping habits" is different from those services provided by the Opponent. In view of the specialized nature of these particular services, I would not expect the channels of trade for these services to overlap with those of the Opponent.

section 6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

- [40] While it is generally accepted that the first component of a mark is often the most important for the purposes of distinguishing between the marks, the importance of this factor diminishes if the first component is suggestive or descriptive [Reno-Dépôt v Homer TLC Inc (2009), 84 CPR (4th) 58 (TMOB) at para. 58; 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)]. The law is also clear that when assessing confusion it is not proper to dissect trade-marks into their component parts, rather, marks must be considered in their entirety [British Drug Houses Ltd v Battle Pharmaceuticals, [1944] Ex. CR 239, at 251, affirmed [1946] SCR 50 and United States Polo Assn v Polo Ralph Lauren Corp (2000), 9 CPR (4th) 51 at para 18, aff'd [2000] FCJ No 1472 (CA)].
- [41] In its written argument, the Applicant directed me to the decision in *Consumers Distributing Limited/La Compagnie Distribution Aux Consommateurs Limitee v Toy World Limited* (1990), 30 CPR (3d) 191 (TMOB) wherein former Member Martin considered the degree of resemblance between the applied for mark TOY WORLD and the Opponent's mark TOYVILLE as follows at paras 17-18:

As for s. 6(5)(e) of the Act, I consider there to be some resemblance between the marks of the parties. However, that resemblance is due primarily (if not exclusively) to the common use of the word "toy". However, the word "toy" is non-distinctive in relation to the services of the parties. Consequently, consumers would tend to centre on the other elements of the marks. Those other elements, in this case, are in my view, dissimilar. Furthermore, the applicant's mark consists of two words and the applicant's mark consists of one word. This serves to further enhance the visual distinction between the marks of the parties.

The opponent contended that the marks bear a high degree of resemblance because the latter portions of both marks possess a geographical connotation. I consider that potential connection to be somewhat remote, particularly in light of the fact that the test for confusion is to be applied as a matter of first impression and imperfect recollection. Furthermore, the opponent is not entitled to a monopoly in all TOY-prefixed marks which have a geographical connotation.

- I find that the reasoning of my former colleague above can also be applied to the present case. In this regard, there is some resemblance between the marks of the parties in appearance and sound in the present case owing primarily to the common use of the word "FLYER". However, the word FLYER is non-distinctive in relation to the parties' services. Consumers would therefore tend to center on the other elements of the marks (i.e. town and land) which I do find to be dissimilar even though they may possess a geographical connotation. Further, as in the TOY WORLD decision, the Opponent in the present case is not entitled to a monopoly in all FLYER-prefixed marks that have a geographical connotation.
- [43] With respect to the ideas suggested by the parties' marks, I do find the ideas suggested by the parties' word marks to be somewhat similar. I find the ideas suggested by the parties' design marks, however, to be different. In this regard, the fanciful houses design in the Design Mark reinforces the idea of a town or city whereas the shopping cart design in the Opponent's design mark suggests a place or area to shop.

Further surrounding circumstances

state of the register and state of the marketplace evidence

- [44] As a surrounding circumstance, the Applicant submitted evidence of the state of the register by way of two affidavits of Jane Buckingham, Trade-mark Searcher with the Applicant's agent. State of the register evidence is introduced to show the commonality or distinctiveness of a mark or portion of a mark in relation to the register as a whole. Inferences regarding the state of the marketplace based on state of the register evidence can only be drawn when a significant number of pertinent registrations are located [*Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA)].
- [45] The first affidavit of Ms. Buckingham puts into evidence that there were 15 active third trade-mark registrations comprising or containing the word "flyer" for use in association with advertising or related services. The second affidavit of Ms. Buckingham puts into evidence 16 sets of 34 active trade-marks that contain an identical or substantially similar prefix and a suffix with a geographical significance (town, world, city, etc.). The Applicant notes in particular the co-existence of FLYERLAND and FLYERLAND.CA & Design with FLYERWORLD and

FLYERWORLD.COM. Further, Mr. Cheung also provides evidence that the following digital circular providers currently co-exist in the market: www.flyercity.ca, www.flyerworld.com, www.eflyers.com, www.saveland.ca, and www.smartflyercanada.com.

[46] The common ground between the marks in issue in the present case is the combination of the word FLYER with a word that has geographical significance. I do consider the number of registered marks identified by Ms. Buckingham in her first affidavit to be sufficient to conclude that it is common in the marketplace to adopt marks that contain the component FLYER in the same field as the parties' marks. I am also prepared to infer from the Applicant's evidence as a whole that consumers are adept at distinguishing between marks that contain the word FLYER in combination with marks that contain a word that has geographical significance, i.e. city, world or land. Given this evidence, I consider that it would be inappropriate to accord a wide scope of protection to the Opponent's trade-marks as they are weak marks.

merger of flyerland.ca with www.save.ca

- [47] Mr. Cheung states in his affidavit at paragraph 26 that on August 27, 2013, *flyerland.ca* was incorporated into the *www.save.ca* brand. Attached as Exhibit E to his affidavit is a copy of an article that appeared on the Mississauga.com website under the heading Business Times announcing the merger of *flyerland.ca* with *www.save.ca*.
- [48] As this evidence is hearsay, it cannot be relied upon as evidence of the truth of the contents [Candrug Health Solutions Inc v Thorkelson (2007), 60 CPR (4th) 35 (FC), reversed 64 CPR (4th) 431 (FCA), (Candrug)]. Even if it had been admissible, however, I would not have had regard to it since I consider that this evidence regards the validity of the Opponent's FLYERLAND.CA & Design registration which is not at issue in these proceedings.

jurisprudence regarding weak trade-marks

[49] Recently, in *Breville Pty Limited v Keuring Green Mountain, Inc*, 2014 TMOB 248 (CanLII), Board Member DePaulsen reviewed the jurisprudence regarding weak trade-marks as follows:

It is well accepted that comparatively small differences will suffice to distinguish between weak marks [Boston Pizza International Inc v Boston Chicken Inc (2001), 15 CPR (4th) 345 (FCTD) at para 66]. In Provigo Distribution Inc v Max Mara Fashion Group SRL (2005), 46 CPR (4th) 112 at para 31 (FCTD), de Montigny J. explained:

The two marks being inherently weak, it is fair to say that even small differences will be sufficient to distinguish among them. Were it otherwise, first user of words in common use would be unfairly allowed to monopolize these words. A further justification given by courts in coming to this conclusion is that the public is expected to be more on its guard when such weak trade names are used

A party adopting a weak trade-mark has been held to accept some risk of confusion [General Motors v Bellows (1949), 10 CPR 101 at 115-116 (SCC)]. While it is possible for the degree of distinctiveness attributed to a weak trade-mark to be enhanced through extensive use [Sarah Coventry Inc v Abrahamian (1984), 1 CPR (3d) 238 at para 6 (FCTD)], the Opponent's evidence falls short of demonstrating such extensive use since its trade-mark YOUBREW has only been in use since February 2012 and there have only been approximately 13,000 YOUBREW coffee makers sold.

[50] Similarly, in the present case, the Opponent has not shown any acquired distinctiveness of either of its marks. I therefore find that the jurisprudence set out above supports the Applicant's position that since both parties' marks are inherently weak, small differences will be sufficient to distinguish them.

Conclusion

[51] Considering the factors in section 6(5), and taking into account in particular that the Opponent's trade-marks FLYERTOWN and FLYERTOWN.CA & Design are weak marks, and that it is common in the marketplace to adopt marks that contain the component FLYER in the same field as the parties' marks, I conclude that the balance of probabilities between finding that there is no reasonable likelihood of confusion, and finding that there is a reasonable likelihood of confusion, falls slightly in favour of the Applicant. I therefore find that, on a balance of probabilities, there is no reasonable likelihood of confusion between either of the Opponent's trade-marks and either of the Marks given the differences between them. Accordingly, the section 12(1)(d) ground of opposition is rejected in both cases.

Disposition

[52] In view of the above, and pursuant to the authority delegated to me under section 63(3) of the Act, I reject the oppositions pursuant to section 38(8) of the Act.

Cindy R. Folz Member Trade-marks Opposition Board Canadian Intellectual Property Office