IN THE MATTER OF AN OPPOSITION

by Canada Post Corporation to application

No. 666,551 for the trade-mark SPRINTMAIL

filed by U.S. Sprint Communications Company

Limited Partnership (now Sprint Communica-

tions Company L.P.)

On September 14, 1990, the applicant, U.S. Sprint Communications Company Limited

Partnership (now Sprint Communications Company L.P.), filed an application to register the

trade-mark SPRINTMAIL based on use and registration (No. 1,637,848) in the United States.

The applicant claimed priority based on its corresponding U.S. application and thus the

effective filing date of the present application is April 25, 1990. The application covers the

following services:

telecommunications services, namely implementing voice, data

and video telecommunication services.

The application was advertised for opposition purposes on December 4, 1991.

The opponent, Canada Post Corporation, filed a statement of opposition on January

24, 1992, a copy of which was forwarded to the applicant on February 6, 1992. The opponent

was granted leave to amend the statement of opposition on December 16, 1992 and again on

May 14, 1993.

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 MAIL 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 Sections 58 and 61 of the Canada Post Corporation

Act.

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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 a number of registered trade-marks of the opponent including MAIL POSTE & Design (registration No. 361,467) and POSTE MAIL & Design (registration No. 361,468). The fourth ground is that the applicant is not the person entitled to registration pursuant to Sections 16(2)(a) and 16(2)(c) of the Act because, as of the applicant's priority filing date, the applied for trade-mark was confusing with a series of trademarks and trade-names previously used in Canada by the opponent and its predecessor in title. Those marks and names include ADMAIL, ELECTRONIC MAIL and MAILTRAC.

The fifth 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 ADMAIL, ELECTRONIC MAIL, MAILTRAC and SUPERMAILBOX. 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 case reads as follows:

The proposed trade-mark is not distinctive in that it is not adapted to distinguish the services and related wares in association with which it is proposed to be used from the services and wares provided by the opponent and its 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 as referred to above.

The applicant filed and served a counter statement. The opponent's evidence comprises affidavits from each of the following individuals:

Douglas Johnston Paul Oldale

Michael Cormier Michel Bouchard

Katherine A. Ackerman Loretta Bozovich

Robert Devlin Allan Burnett

Bruce Moreland Dan Campbell

Eileen McCaffrey (2) J. Richard Cline

Bryan Kalef Gay J. Owens

Mark Rees (2)

Messrs. Johnston, Devlin, Moreland, Oldale, Burnett, Campbell, Cline, Kalef and Rees and Mss. Ackerman, McCaffrey and Bozovich were cross-examined on their affidavits and the transcripts of those cross-examinations form part of the record of this proceeding.

As its evidence, the applicant filed the affidavits of Shirley Jean McDonald, Erwin Lutz and Theresa Corneau. Mr. Lutz was cross-examined on his affidavit and the transcript of that cross-examination and the replies to undertakings given form part of the record of this proceeding. As evidence in reply, the opponent filed the affidavits of Jennifer L. Wilkie and Eileen J. Castellano. The opponent was granted leave to file a second affidavit of Dan Campbell in an attempt to respond to a number of relevant questions put to Mr. Campbell on cross-examination which his agent directed him not to answer. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

At the outset of the oral hearing, the agent for the opponent withdrew the fifth ground of opposition and restricted the fourth ground to reliance on the trade-mark ADMAIL. He also restricted the third ground to reliance on the opponent's registered trade-marks MAIL POSTE & Design and POSTE MAIL & Design.

Initially, it is useful to determine the nature of the services for which the applicant is seeking registration of its trade-mark SPRINTMAIL. In general, the wording of the applicant's statement of services governs: see Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.), Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) and Miss Universe, Inc. v. Dale Bohna (1994), 58 C.P.R.(3d) 381 at 390-392 (F.C.A.). However, that statement must be read with a view to determining the probable type of business or trade intended by the applicant rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the

actual trade of the applicant is useful: see McDonald's Corporation v. Coffee Hut Stores Ltd. (1996), 68 C.P.R.(3d) 168 (F.C.A.).

In the present case, the Lutz affidavit and cross-examination reveal that the applicant's service is essentially a computer-based system which allows customers to communicate by means of e-mail. (It is designed to eventually accommodate voice and video transmissions although the applicant has not yet provided those particular services.) The applicant's system functions as a computer to computer system in which a customer's message is sent by his computer to one of the applicant's host computers where it is stored until it is accessed by the intended recipient's computer.

The opponent made much of the fact that in rare instances where an intended recipient has no electronic means for receiving a message, a hard copy is produced and forwarded through the regular postal system (see pages 28-32 of the Lutz transcript). However, such a service would not be viewed by the average consumer as a typical expected adjunct to an email system.

Central to most of the opponent's grounds is its contention that the word "mail" is generally understood to refer to the services of the opponent and that consequently the applicant's trade-mark SPRINTMAIL would lead the public to believe that the associated services are performed by the opponent. The dictionary and encyclopedia entries evidenced by the Ackerman affidavit support the opponent's contention that "mail" is typically understood to mean something that is handled by a government postal system. The Canada Post Corporation Act gives the opponent exclusive rights in this area and, considering the volume of business conducted by the opponent, it is likely that most Canadians associate the ordinary word "mail" with the opponent when it is used to describe ordinary postal services i.e. - the receipt and delivery of letters. In this regard, reference may also be made to the decision in Société Canadienne des Postes v. Postpar Inc. (1989), 20 C.I.P.R. 180, [1988] R.J.Q. 2740.

Although the opponent's evidence supports the contention that the word "mail" when used in ordinary conversation respecting ordinary postal services is often associated with the opponent, it does not necessarily follow that when the word "mail" is used for other wares and services it is associated with the opponent. For example, the term "e-mail" is defined in The Oxford English Dictionary (1989 edition) as an abbreviation for electronic mail, a service which is provided by many traders. The final exhibit to the Corneau affidavit illustrates that electronic mail is a commonly offered service and a number of the opponent's affiants confirmed on cross-examination that various companies offer such a service.

The McDonald affidavit evidences numerous registrations for trade-marks including the word MAIL for a wide variety of wares and services. Although many of those registrations are for wares or services unrelated to the services at issue in the present case, there are about twenty that cover wares and services similar to those of the applicant, namely electronic messaging services and telecommunications software and services. Thus, not only am I able to conclude that there has been common adoption of trade-marks incorporating the word MAIL in general but also, to some extent, in the area of commerce for which the applicant is seeking registration. With respect to the relevance of state of the register evidence, see the opposition decision in Ports International Ltd. v. Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 and the decision in Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd. (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

Also of note is the Corneau affidavit which evidences a number of businesses operating under trade-names or trading styles incorporating the word MAIL although there is no indication that any of those businesses are operating in the area of telecommunications or electronic messaging. Furthermore, Ms. Corneau appended as exhibits to her affidavit several brochures of businesses offering electronic messaging services in which the terms "voice mail", "voice mailbox" and "mailbox" are used generically. Finally, the opponent's two registrations

noted above under the third ground of opposition both include a disclaimer to the word MAIL in respect of postal services.

A review of the remainder of the opponent's evidence reveals that the applicant and the opponent are, to some extent, potential competitors. The Johnston and Campbell affidavits establish that the opponent deals in the same general type of business for which the applicant is seeking registration of its mark, namely electronic messaging services. However, the specific services of the parties differ. As noted, the applicant's service is primarily a computer to computer e-mail system. The opponent's related services, on the other hand, involve the use of intermediary electronic transmission of letters (either individually or as group mailings) to shorten the time in which the letters are physically delivered through the regular postal system.

In reviewing the evidence in the present case, I have also been guided by the decision of Mr. Justice Muldoon in <u>Canada Post Corp.</u> v. <u>Registrar of Trade Marks</u> (1991), 40 C.P.R.(3d) 221 (F.C.T.D.) and his following comments regarding the <u>Postpar</u> decision (at page 239):

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 of 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 <u>Lubrication Engineers</u>, Inc. v. <u>The Canadian Council of Professional Engineers</u> (1992), 41 C.P.R.(3d) 243 (F.C.A.). The issue 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 <u>Wool Bureau of Canada Ltd.</u> v. <u>Registrar of Trade Marks</u> (1978), 40 C.P.R.(2d) 25 at 27-28 and <u>Atlantic Promotions Inc.</u> v. Registrar of Trade Marks (1984), 2 C.P.R.(3d)

The applicant's trade-mark SPRINTMAIL suggests that the applicant's telecommunications services comprise a fast or quick e-mail service and the Lutz affidavit and cross-examination confirms that such is the case. As discussed, although the use of the word "mail" in the context of ordinary postal services might well point to the opponent, the evidence does not point to the same conclusion in respect of telecommunications services. In fact, given the public's familiarity with the terms "e-mail" and "electronic mail", it seems likely that the use of the word "mail" in association with such services could point to any number of service providers. In other words, the word "mail" used in the context of an e-mail system or service is likely to suggest e-mail rather than ordinary mail of the type handled by the opponent. Thus, I find that the applicant's trade-mark SPRINTMAIL does not deceptively misdescribe the character or quality of its telecommunications services nor does it deceptively misdescribe

the applicant's SPRINTMAIL telecommunications services as originating with the opponent or the opponent's employees. Thus, the first ground of opposition 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. (The opponent did not pursue its contention that the applicant was in contravention of Section 61 of the Canada Post Corporation Act and I have therefore not considered that aspect of the second ground of opposition.)

I had occasion to consider this issue in <u>Canada Post Corp.</u> v. <u>736217 Ontario</u> (1993), 51 C.P.R.(3d) 112 at page 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.

In a previous case, it was 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 it is true 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 SPRINTMAIL would be in contravention of Section 58 of the Canada Post Corporation Act. Having reviewed the opponent's evidence, I consider that it has not met its evidential burden respecting this ground. Although both parties can be viewed as offering electronic messaging services in a broad sense, the opponent is not engaged in offering a computer to computer email service and the applicant is not engaged in the traditional postal services which are the opponent's exclusive domain under the Canada Post Corporation Act. Furthermore, the applicant's evidence points away from any connection with the opponent in view of the adoption of similar trade-marks by third parties operating in the same or related fields as the applicant. The second ground of opposition is therefore also 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 is the date of my decision: see the decision in <u>Conde Nast Publications Inc.</u> v. <u>Canadian Federation of Independent Grocers</u> (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). The onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Furthermore, 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. Finally, as previously noted, the opponent has restricted this ground to its two trade-marks MAIL POSTE & Design and POSTE MAIL & Design.

The opponent's two marks are inherently weak since they are dominated by the words "mail" and "poste" which are descriptive of the opponent's services and which have been disclaimed in both applications. The opponent has not evidenced the extent to which its two marks have become known. As discussed, the applicant's mark is suggestive of its applied for services and is therefore inherently weak. There is no evidence of any acquired reputation for the applicant's mark in Canada.

The length of time the marks have been in use is not a material circumstance in the present case. The opponent's registrations are for "postal services" which presumably covers those services performed by the opponent through its postal outlets. The applicant's services are voice, data and video telecommunications services which, to date, consist of a computer to computer e-mail system. The only connection shown between the trades of the parties is that in rare instances ordinary postal services might be used to transmit an e-mail message on the applicant's network where an intended recipient does not have access to a computer or some other electronic means of receipt.

As for Section 6(5)(e) of the Act, there is some resemblance between the marks in all respects since all three marks include the word "mail." However, the marks do differ since the applicant's mark is dominated by the initial component SPRINT. More importantly, the word "mail" is descriptive in the context of the opponent's services and the opponent cannot

claim an exclusive right to all uses of that word in commerce. As discussed, the applicant's evidence points to adoption of the word MAIL as a component of trade-marks used by third parties in the same area of commerce.

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 not insignificant differences between the marks, the fact that the word "mail" has been disclaimed in the opponent's registrations and the fact that a number of third parties have adopted similar trade-marks, I find that the applicant has satisfied the legal burden on it to show that the marks at issue are not confusing. The third ground is therefore unsuccessful.

As for the fourth ground of opposition, the opponent has restricted it to reliance on its previously used trade-mark ADMAIL. However, the opponent has not clearly evidenced use of that trade-mark prior to the applicant's filing date as required by Section 16(2) of the Act. Although Mr. Oldale, in his affidavit, states that more than 50,000 copies of two brochures referring to "Admail" have been distributed since May of 1981, he does not evidence any use of that word as a trade-mark in connection with the performance of any services. Thus, I find that the fourth 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. The material time respecting the sixth ground would appear to be the date of my decision. 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. Although the opponent has shown that it is a Crown corporation and that consumers often associate the ordinary word "mail" with the opponent in the context of ordinary postal services, it has not shown that

consumers often associate that word with the opponent in the context of telecommunications 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.

I find that the opponent has satisfied its evidential burden by establishing a significant association in the public's mind between the ordinary word "mail" and the opponent. However, as previously noted, that association is 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 many of its marks. There is evidence of use of several marks for electronic messaging services, namely INTELPOST, TELEPOST and ENVOYPOST. There is also evidence of advertising of the opponent's mark SUPERMAILBOX and use and advertising of its mark VOLUME ELECTRONIC MAIL but there is little or no evidence of any reputation for its other marks which include the word "mail."

The applicant, in my view, has satisfied the legal burden on it. Notwithstanding the fact that there is a significant association in the public's mind between the ordinary word "mail" and the opponent for ordinary postal services, it does not necessarily follow that the public would make that same association between the applicant's mark and the opponent in the context of telecommunications services in the form of an e-mail system. Although the opponent performs electronic messaging services, it has not shown that it has acquired a significant reputation for any trade-mark or trade-name for such services. The evidence shows that the words "e-mail" and "electronic mail" are descriptive and in common use by others.

Furthermore, the evidence shows that other traders use trade-marks incorporating the word

MAIL for wares and services similar to those of the applicant. 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.

The opponent submitted that the present case is similar to the case in Canada Post

Corp. v. Dialog Information Systems, Inc. (1996), 69 C.P.R.(3d) 118 (T.M.O.B.) in which the

opponent successfully opposed an application to register the trade-mark DIALMAIL.

However, that case is distinguishable from the present case on two points, namely the absence

of useful state of the register evidence and the apparent inclusion of physical delivery of

messages as part of the applicant's services.

In view of the above, and pursuant to the authority delegated to me under Section 63(3)

of the Act, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 16th DAY OF APRIL, 1997.

David J. Martin,

Member,

Trade Marks Opposition Board.

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