



# Canadian Intellectual Property Office

## **THE REGISTRAR OF TRADEMARKS**

**Citation:** 2023 TMOB 138

**Date of Decision:** 2023-08-04

## **IN THE MATTER OF OPPOSITIONS**

**Opponent:** JTH Tax LLC

**Applicant:** H&R Block Canada, Inc.

**Applications:** 1864949 for INSTANT REFUND BY H&R BLOCK, and  
1864950 for H&R BLOCK'S INSTANT REFUND

## **INTRODUCTION**

[1] H&R Block Canada, Inc. has applied to register the trademarks INSTANT REFUND BY H&R BLOCK (the IRHRB Mark) and H&R BLOCK'S INSTANT REFUND (the HRBIR Mark; collectively, the Marks). Each Mark is applied for in association with the following services (the Services):

Tax services, namely, tax return preparation services, assessment and evaluation of taxes, tax advisory services, tax auditing, tax rebate discounting services

[2] JTH Tax LLC (the Opponent) opposes registration of the Marks. The opposition is based primarily on allegations that the Marks are confusing with several of the Opponent's trademarks, discussed below (collectively, the Opponent's Marks). Each of

the Opponent's Marks incorporates the words "INSTANT REFUND" and is associated with the following services (the Opponent's Services):

Retail tax return preparation services and tax discounting services, the foregoing being provided either by itself and/or through one or more franchised licensees

[3] For the reasons that follow, the opposition is rejected.

### **THE RECORD**

[4] The application for each of the Marks was filed on October 27, 2017, based on proposed use in Canada. Both applications were advertised for opposition purposes in the *Trademarks Journal* on October 21, 2020. On April 21, 2021, the Opponent opposed the applications by filing statements of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). Amended statements of opposition were filed on September 29, 2021, to correct the Opponent's name and a reference to the Act.

[5] I note that the Act was amended on June 17, 2019. As the applications in this case were advertised after June 17, 2019, the Act as amended applies (see section 69.1 of the Act).

[6] The Opponent lists three trademarks in Schedule A to its statement of opposition, including Instant TAX Refund & DESIGN, registration No. TMA611,585 (the ITR Design Mark); INSTANT REFUND & DESIGN, registration No. TMA612,111 (the IR Design Mark); and an "INSTANT REFUND" trademark associated with the Opponent's Services. I note that no application or registration number is provided for the latter "INSTANT REFUND" trademark, and it does not appear to be directly referenced in the Opponent's evidence or written representations. In the absence of details relating to an application for or registration for this trademark, evidence of use or reputation, or representations with respect to this "INSTANT REFUND" trademark, I do not consider it to be at issue in this proceeding as the Opponent would not be able to meet its evidential burden with respect to the grounds of opposition.

[7] The grounds of opposition are the same for each case and are summarized below:

- Contrary to sections 38(2)(a.1) of the Act, the Marks are not registrable and were filed in bad faith because the Applicant was aware of the Opponent's use of the Opponent's Marks prior to the filing date of the application and intended to trade off the goodwill of the Opponent. The Opponent's Marks have not been abandoned.
- Contrary to sections 38(2)(b) and 12(1)(d) of the Act, the Marks are not registrable because they are confusing with the Opponent's Marks, which have not been abandoned.
- Contrary to sections 38(2)(c) and 16(1)(a) of the Act, the Applicant is not entitled to registration of the Marks in Canada because, at the time of the filing date of the applications, the Marks were confusing with the Opponent's Marks which had been previously used and/or made known in Canada by the Opponent in association with the Opponent's Services, and which had not been abandoned as of the date of advertisement of the application.
- Contrary to sections 38(2)(d) and 2 of the Act, the Marks are not distinctive in that they do not, and are not adapted to, distinguish the Applicant's Services from the goods and services of others, and in particular, from the Opponent's Services. The Opponent's Marks have not been abandoned.
- Contrary to section 38(2)(e) of the Act, at the filing date of the applications in Canada, the Applicant was not using and did not propose to use the Marks in Canada, and has not used its Marks to date and there is no evidence that the Applicant has any intention of using the Marks in the future.
- Contrary to section 38(2)(f) of the Act, at the filing date of the applications, the Applicant was not entitled to use the Marks in Canada in association with the Services because such use is likely to cause confusion with the Opponent's Marks, which have not been abandoned.

[8] The Applicant served and filed counter statements denying each of the grounds of opposition. Both parties filed evidence, which is discussed below. No cross examinations were conducted with respect to either party's evidence.

[9] Both parties filed written representations and were represented at an oral hearing.

## **EVIDENCE**

### ***Opponent's Evidence***

[10] The Opponent's evidence in both opposition proceedings consists of certified copies of the ITR Design Mark, the IR Design Mark, and the trademark LIBERTY TAX, registration No. TMA559,500; as well as the affidavit of Rory Walters, AVP of Finance of the Opponent, sworn September 28, 2021.

[11] The Walters affidavit includes the following information:

- Particulars for the aforementioned ITR Design Mark, IR Design Mark, and LIBERTY TAX trademark.
- Screenshots from the Opponent's *libertytaxcanada.ca* website.
- Revenue "generated in association with the trademark LIBERTY TAX in Canada" in association with the Opponent's Services from 2007 to 2021, in the millions of dollars for each year.
- Advertising expenses "in association with the trademark LIBERTY TAX in Canada" in association with the Opponent's Services from 2007 to 2021, in the hundreds of thousands of dollars for each year.
- Details and photographs showing how the LIBERTY TAX trademark is displayed at the Opponent's locations in Canada (of which there have been over 250 since 2007), by the Opponent's wholly-owned subsidiary Liberty Tax Service, Inc., and in advertising.
- Images of the ITR Design Mark displayed at the Opponent's LIBERTY TAX storefronts, attached as Exhibit I, which the affiant states are representative of the manner in which this trademark has been used in Canada by the

Opponent since May 2004. The affiant states that the Opponent uses this trademark in association with the Opponent's Services on its websites, advertising materials, and social media accounts, and that the revenue and advertising expenses provided "include the Opponent's use of its Instant TAX Refund & DESIGN mark in association with [the Opponent's Services] since May, 2004".

### ***Applicant's Evidence***

[12] The Applicant submitted three affidavits as its evidence in each of these proceedings: the affidavit of Joanne Berent, a Reference Librarian employed by the Applicant's agent of record; the affidavit of Mary P. Noonan, a trademark searcher employed by the Applicant's agent of record; and the affidavit of Rasanmeet Kaur Sahota, a summer student employed by the Applicant's agent of record.

[13] Ms. Berent attaches the following information to her affidavit:

- News articles retrieved by a search of Westlaw Canada (News) for the phrase "instant refund" after December 31, 2006.
- Dictionary definitions for the words "instant" and "refund".

[14] Ms. Noonan attaches the following information to her affidavit:

- Particulars for 29 active trademark applications and/or registrations containing the words "H&R BLOCK".
- Particulars for 12 active trademark applications and/or registrations containing the word "INSTANT" and associated with goods or services containing the word "tax".
- Particulars for 15 active trademark applications and/or registrations containing the word "REFUND" and associated with goods or services containing the word "tax".
- File histories for the Opponent's ITR Design Mark and IR Design Mark.

[15] Ms. Sahota attaches the following information to her affidavit:

- Screenshots, and archived screenshots from the Wayback Machine, for the websites of the Applicant and a number of tax and accounting service providers.

## **ANALYSIS**

### ***Section 38(2)(a.1) Ground of Opposition***

[16] The Opponent alleges that the Marks are not registrable and were filed in bad faith because the Applicant was aware of the Opponent's use of the Opponent's Marks prior to the filing date of the application and intended to trade off the goodwill of the Opponent.

[17] However, in the absence of evidence that the Applicant acted in bad faith in filing its applications, or of submissions with respect to this ground of opposition, the Opponent has not met its initial burden. As such, this ground of opposition is rejected.

### ***Ground of Opposition: Section 12(1)(d)***

[18] The Opponent alleges that contrary to section 12(1)(d) of the Act, the Marks are not registrable due to the Opponent's registrations for its trademarks. I have exercised my discretion to check the register [per *Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)] and have determined that the Opponent's registration for the ITR Design Mark remains extant, while the IR Design Mark was expunged due to non-use on August 16, 2022.

[19] Furthermore, although the Opponent's evidence and written representations refer to the Opponent's LIBERTY TAX trademark, because that trademark was not referenced in its statements of opposition, it is not at issue in these proceedings.

[20] The Opponent has therefore met its initial evidential burden for the section 12(1)(d) ground of opposition with respect to the ITR Design Mark only.

[21] Since the Opponent has discharged its evidentiary burden regarding this ground of opposition, I must assess whether the Applicant has discharged its legal onus to prove, on balance of probabilities, that there is no reasonable likelihood of confusion

between the Applicant's Mark and the aforementioned registrations of the Opponent. The material date with respect to confusion with a registered trademark is the date of this decision [*Simmons Ltd v A to Z Comfort Beddings Ltd* (1991), 37 CPR (3d) 413 (FCA)].

[22] 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 trademarks 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 trademarks, including in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight [see, in general, *Mattel USA Inc v 3894207 Canada Inc*, 2006 SCC 22 (*Mattel*), and *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 (*Masterpiece*)]. Moreover, in *Masterpiece*, the Supreme Court stated that the degree of resemblance between the trademarks is often likely to have the greatest effect on the confusion analysis.

[23] Finally, section 6(2) of the Act does not concern confusion between the trademarks themselves, but confusion regarding goods or services from one source as being from another source. In this case, the question posed by section 6(2) is whether there would be confusion regarding the services sold under the Mark such that they would be thought to have emanated from the Opponent.

#### Inherent and acquired distinctiveness

[24] A trademark is not inherently distinctive if it is suggestive of a characteristic of the associated goods or services, whether through descriptive language or laudatory epithets. By contrast, a coined or invented word will possess greater inherent distinctiveness [*Boston Pizza International Inc v Boston Chicken Inc*, 2003 FCA 120 at para 6].

[25] The Opponent's submissions on this factor pertain largely to the question of acquired distinctiveness. In contrast, the Applicant submits that the words "INSTANT"

and “REFUND”, shared by the Applicant’s Marks and the ITR Design Mark, are highly suggestive, if not descriptive, of the associated services, noting that the media articles attached to the Dingman affidavit and the websites attached to the Sahota affidavit show that the phrases “instant refund” and “instant tax refund” are commonly used in the tax preparation field. The Applicant further notes that following descriptiveness objections issued by the trademark examiner in the course of the application for the ITR Design Mark, the Opponent entered disclaimers for all of the word matter of that trademark, as shown in the case history attached to the Noonan affidavit. As such, the Applicant submits that to the extent that the ITR Design Mark has any inherent distinctiveness, it is only in respect of the design elements of the trademark. The Applicant submits that its Marks have a greater degree of inherent distinctiveness in that they are a distinctive slogan incorporating the Applicant’s “H&R BLOCK” house mark and trade name.

[26] It is well established that trademarks comprised of descriptive or suggestive words are only entitled to a narrow ambit of protection [*General Motors Corp v Bellows* (1949), 10 CPR 101 (SCC)], and that comparatively small differences will be sufficient to distinguish between such trademarks [*Prince Edward Island Mutual Insurance Co v Insurance Co of Prince Edward Island* (1999), 86 CPR (3d) 342 (FCTD) at paras 32-34]. 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 expected to be more on its guard when such weak trade names are used...

[27] In this case, I accept that the word elements of the ITR Design Mark are descriptive or suggestive of the services offered in view of the dictionary definitions provided by the Applicant in the Berent affidavit for “instant” and “refund”, and in view of the news articles and promotional materials attached to the Berent and Sahota affidavits showing the term “instant refund” being used descriptively by the Opponent and third party Canadian tax preparation and filing businesses for the service of “buying your tax



refund [...] for a percentage of the anticipated government tax refund” [Berent affidavit, Exhibit A, page 15]. As such, the ITR Design Mark possesses a very limited degree of inherent distinctiveness owing only to its stylization.

[28] As for the Marks, although they also include the words “INSTANT REFUND”, the Applicant submits that they have a significantly higher degree of inherent distinctiveness than the ITR Design Mark due to the presence of the distinctive components “H&R BLOCK”. Further, the Applicant referred at the hearing to the “long-standing history” of the “H&R BLOCK” house mark; however, the only evidence provided by the Applicant on this point is copies of registrations for “H&R BLOCK”-formative trademarks and screenshots from the Applicant’s website describing the company’s services and history. I note that the Federal Court has cautioned against giving even *de minimis* weight to claimed dates of first use in trademark registrations and, moreover, a registration in itself is not evidence that the registered trademark has been used continuously since the claimed date [see *Tokai of Canada v Kingsford Products Company, LLC*, 2018 FC 951; and *Entre Computer Centers Inc v Global Upholstery Co* (1991), 40 CPR (3d) 427 (TMOB)]. As for the websites, in the absence of any information as to the extent that these websites have been accessed by Canadians, I am not prepared to conclude that they establish that Canadians would be familiar with the “H&R BLOCK” house mark. Moreover, the contents of the websites amount to hearsay.

[29] In any event, in the absence of evidence to suggest that Canadian consumers would recognize “H&R BLOCK” as a common given name [see *Nada Fashion Designs Inc v Groupe Boyz Inc*, 2011 TMOB 155 at 31; *Dixie Lee (Maritimes) Ltd v Dixie’s Pizza-Fried Chicken-Fish Inc*, 2019 TMOB 48 at para 18], I consider “H&R BLOCK” to be a distinctive component with no inherent meaning, which thus increases the degree of inherent distinctiveness of the Marks [for similar conclusions, see *Express File Inc v HRB Royalty Inc* (2001), 21 CPR (4th) 274 at para 28; *HRB Royalty Inc v Express File Inc* (2002), 25 CPR (4th) 94 at para 24]. I therefore find that the Marks have a greater degree of inherent distinctiveness than the ITR Design Mark.

[30] The distinctiveness of a trademark can be increased through its use and promotion in Canada [see *Sarah Coventry Inc v Abrahamian* (1984), 1 CPR (3d) 238 (FCTD); *GSW Ltd v Great West Steel Industries Ltd* (1975), 22 CPR (2d) 154 (FCTD)]. The Opponent submits that the ITR Design Mark has acquired a significant amount of distinctiveness in view of its evidence of revenues and advertising expenditures since 2007. In response, the Applicant submits that such figures must be approached with caution with respect to the ITR Design Mark, given that the majority of the Walters affidavit refers specifically to the LIBERTY TAX trademark and makes only the “bare claim” that the Exhibit I photographs of the ITR Design Mark being displayed at the Opponent’s locations are “representative of the manner in which the [ITR Design Mark] has been used in Canada by the Opponent with the [Opponent’s Services] since it first began said use in May, 2004”. The Applicant notes that it is not explained how such photographs are “representative”, where and when they were taken, and whether the Opponent’s Services were actually provided at the locations at the time the photographs were taken. Furthermore, the Applicant submits that the manner of any use and advertising of the ITR Design Mark is at best a “secondary” mark or slogan, which diminishes the measure of any reputation the Opponent can claim, citing *Leon’s Furniture Limited v Bad Boy Furniture Warehouse Limited*, 2010 TMOB 132, and *Salt Technology Inc v PayPal, Inc*, 2019 TMOB 21.

[31] I concur with the Applicant on this point. To the extent that the Opponent’s evidence shows use of the ITR Design Mark, it is exclusively in conjunction with the LIBERTY TAX trademark. In particular, I note that the Exhibit I images to the Walters affidavit appears to consistently show the ITR Design Mark displayed on a poster on storefronts whose signage displays the LIBERTY TAX trademark in a much more prominent manner. In circumstances where a trademark always appears in association with another trademark, or a “master brand” that is shown in a significantly more prominent fashion, this Board has found that significantly less distinctiveness or reputation will attach to the secondary trademark [see *Leon’s Furniture, supra*; *Simmons IP Inc v Park Avenue Furniture Corp* (1996), 74 CPR (3d) 404 (TMOB); *PepsiCo, Inc v Coca-Cola Inc / Coca-Cola Ltée*, 2016 TMOB 12 at paras 116-117; *Euro-Pharm International Canada Inc v Eurofarma Laboratórios Ltda*, 2015 TMOB 91 at para 32].

Accordingly, I find that the ITR Design Mark has acquired limited, if any, distinctiveness based on the use evidenced in the Walters affidavit.

[32] As for the Marks, while the HRBIR Mark appears on certain screenshots from the Applicant's website attached to the Sahota affidavit, there is no indication to whether, or when, these websites would have been visited by Canadian users. As such, they do not establish that either of the Marks has been used in Canada.

[33] As such, while the ITR Design Mark could be considered as having, at best, a slightly higher degree of acquired distinctiveness, given the much higher degree of inherent distinctiveness of the Mark, I find that, overall, this factor favours the Applicant.

#### Length of time in use

[34] Similarly, while the Opponent submits that its evidence shows that the ITR Design Mark has been in use since 2004, I find that the weight of this factor in favour of the Opponent is diminished due to the secondary nature of the Opponent's use of the ITR Design Mark, as discussed in the previous factor. Accordingly, this factor favours the Opponent only to a limited degree.

#### Nature of the goods, services or business and nature of the trade

[35] As noted by the Opponent, when considering sections 6(5)(c) and (d) of the Act, it is the statement of services as defined in the registrations relied upon by the Opponent and the statements of services in the applications for the Marks that governs the assessment of the likelihood of confusion under section 12(1)(d) of the Act [*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)]. However, as each statement must be read with a view to determining the probable type of business intended, evidence of the parties' actual trades is useful [see *McDonald's Corp v Coffee Hut Stores Ltd*, 1996 CanLII 3963 (FCA); *McDonald's Corp v Silcorp Ltd* (1989), 55 CPR (2d) 207 (FCTD), aff'd (1992), 41 CPR (3d) 67 (FCA)].

[36] The Opponent submits that both the Opponent's Services and the Applicant's Services are tax return preparation services and tax discounting services, provided to

similar clientele. In response, the Applicant submits that each party's services would likely be only offered through its own, separately branded retail establishments, making confusion unlikely [citing *London Drugs Limited v Coty Deutschland GmbH*, 2012 TMOB 193]. In this respect, the Applicant notes that the Opponent's Services are limited to "retail tax return preparation services and tax discounting services, the foregoing being provided either by itself and/or through one or more franchised licensees" [emphasis added]. Furthermore, the Applicant submits that the fact that both parties use the trademarks at issue as secondary marks together with distinguishing primary marks (LIBERTY TAX and H&R BLOCK, respectively) makes confusion unlikely, citing *Randstad Holding NV v Hays plc*, 2017 TMOB 168.

[37] I concur with the Opponent that the nature of the services and the nature of the trade are similar, as both trademarks are associated with tax return preparation services and tax discounting services, notwithstanding the limitation in the Opponent's registration. Accordingly, these factors favour the Opponent.

#### Degree of resemblance

[38] When considering the degree of resemblance, the law is clear that the trademarks must be considered in their totality; it is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trademarks. The Supreme Court of Canada in *Masterpiece* has advised that the preferable approach when comparing trademarks is to begin by determining whether there is an aspect of the trademark that is particularly striking or unique.

[39] The Opponent submits that the most striking part of the Applicant's Marks is "INSTANT REFUND", which also comprises the first part of the IRHRB Mark, and that "INSTANT REFUND" is also the most striking part of the ITR Design Mark. The Opponent submits that this similarity is supported by the Applicant's own evidence, in that the Noonan affidavit refers to eight active trademark applications or registrations containing both "INSTANT" and "REFUND", six of which were in the name of the Opponent and two were in the name of the Applicant.

[40] The Applicant submits that the most striking and dominant element of each of its Marks is the “H&R BLOCK” element, while any striking or dominant element of the ITR Design Mark would be the particular design format and stylization it has adopted. As such, the Applicant submits that its Marks and the ITR Design Mark are visually, phonetically, and connotatively different due to the presence of the distinctive, dominant and striking “H&R BLOCK” element, and that focusing on the “INSTANT” and “REFUND” elements would amount to an improper dissection of the trademarks, particularly given that these elements are common and descriptive in the field.

[41] I concur with the Applicant that the most striking and unique aspect of each of the Marks is the term “H&R BLOCK”, while the most striking and unique aspect of the ITR Design Mark is the totality of the design element. It has often been held that when a portion of a trademark is a common descriptive or suggestive word, its importance diminishes [see *Vancouver Sushiman Ltd v Sushiboy Foods Co* (2002), 22 CPR (4th) 107 (TMOB)].

[42] There is a limited degree of visual resemblance between the trademarks, given that the ITR Design Mark incorporates design elements, while the Marks incorporate a unique coined house mark which is not present in the ITR Design Mark. Indeed, the only visual similarity between the marks is the common words “INSTANT” and “REFUND”; given that these words are descriptive or suggestive of the associated services, they are of limited importance in considering the degree of similarity between the trademarks at issue. There is some phonetic similarity between the marks if the words incorporating the ITR Design Mark were to be sounded; nevertheless, the words “H&R BLOCK” are absent from the ITR Design Mark, and again, the common descriptive or suggestive elements are of limited importance. In terms of ideas suggested, the ITR Design Mark merely suggests the idea of an “instant tax refund”, whereas the Marks suggest an instant refund provided by a particular entity.

[43] In sum, considering the limited importance of the common elements “INSTANT” and “REFUND”, I find that this factor strongly favours the Applicant.

Surrounding Circumstance: State of the register and marketplace evidence

[44] State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace [*Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); and *Welch Foods Inc v Del Monte Corp* (1992) 44 CPR (3d) 205 (FCTD)]. Inferences regarding the state of the marketplace may be drawn from such evidence only if a large number of relevant trademarks are located [*Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA) (*Kellogg Salada*); *McDowell v Laverana GmbH & Co KG*, 2017 FC 327 at paras 41-46]. Relevant trademarks include those that (i) are registered or are allowed and based on use; (ii) are for similar goods and services as the marks at issue, and (iii) include the component at issue in a material way [*Sobeys West Inc v Schwan's IP, LLC*, 2015 TMOB 197 at para 38].

[45] While the Noonan affidavit identifies a number of trademarks including the words “INSTANT” and “REFUND”, the Opponent notes that only eight such trademarks incorporate both terms, all of which are in the name of the Applicant or Opponent. I further note that of the trademarks incorporating “instant”, only six are registered, and all but two are owned by the Applicant or Opponent; similarly, of the trademarks incorporating “refund”, only nine are registered (including two of the “instant” trademarks owned by the Opponent), and again, all but two are owned by the Applicant or Opponent. Given that the Applicant has furnished evidence of only thirteen registered trademarks incorporating “instant” or “refund” owned by only six owners including the Applicant and Opponent, I am not prepared to make any inferences concerning the state of the marketplace.

Surrounding Circumstance: Applicant’s prior trademark registrations

[46] The Applicant submits that the fact that it has already registered several trademarks incorporating an element in common with the Marks is a relevant surrounding circumstance weighing against a finding of confusion in these proceedings, citing *Kellogg Salada, supra*. In this respect, the Applicant refers to its registered trademarks REMBOURSEMENT INSTANTANÉ, registration No. TMA728,516;

INSTANT CASH BACK, registration No. TMA653,449; and RAPID REFUND & DESIGN, registration No. TMA509,858.

[47] However, I am not prepared to afford significant weight to the existence of these registrations as it is well established that section 19 of the Act does not give the owner of a registration an automatic right to obtain any further registrations, no matter how closely they may be related to the original registration [see *Groupe Lavo Inc v Procter & Gamble Inc* (1990), 32 CPR (3d) 533 (TMOB); *Coronet-Werke Heinrich Schlerf GmbH v Produits Menagers Coronet Inc* (1985), 4 CPR (3d) 108 (TMOB)]. While use of a prior registered trademark in Canada may be a relevant surrounding circumstance that decreases the likelihood of confusion [*Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SPA*, 2016 FC 895], in this case, the Applicant has merely provided the particulars of these registered trademarks, which, as noted above, do not establish that those trademarks have been used in Canada [see *Tokai of Canada, supra*]. Similarly, although the trademark “INSTANT CASH BACK” appears on the screenshots from the Applicant’s website attached to the Sahota affidavit, in the absence of data showing that these websites were actually visited by Canadians or other such indicia, the screenshots do not establish use of that trademark in Canada by the Applicant. Accordingly, I do not find that this is a surrounding circumstance that assists the Applicant.

### Conclusion

[48] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection and have considered all of the surrounding circumstances. In most instances, it is the degree of resemblance between the trademarks that is the most crucial factor in determining the issue of confusion [*Masterpiece; Beverley Bedding & Upholstery Co v Regal Bedding & Upholstery Ltd* (1980), 47 CPR (2d) 145 (FCTD) at 149, aff’d 60 CPR (2d) 70 (FCA)]. Furthermore, section 6(2) of the Act is not concerned with confusion between the trademarks themselves, but rather confusion as to the source of the goods or services; in this respect, as the Supreme Court of Canada explains in *Mattel* at para 57, the ordinary consumer is owed a certain amount of credit. In this case, despite the similar nature of

the parties' services and trade, and the somewhat greater degree of acquired distinctiveness and longer time in use of the ITR Design Mark, I find that the overall differences between the parties' trademarks, particularly in view of the distinctive and unique element "H&R BLOCK" incorporated in the Marks and of the weak nature of the ITR Design Mark, are sufficient to shift the balance of probabilities regarding confusion in favour of the Applicant.

[49] The section 12(1)(d) ground of opposition is therefore rejected.

***Ground of Opposition: Section 16(1)(a)***

[50] Pursuant to sections 38(2)(c) and 16(1)(a) of the Act, the Opponent pleads that the Applicant is not the person entitled to registration of the Marks because, as of the filing date of the applications, the Marks were confusing with the Opponent's Marks, which had been previously used in Canada since before the filing date of the application, and were not abandoned on the day on which the application was advertised for opposition purposes.

[51] In order to meet its initial burden under this ground, the Opponent must show that at least one of its trademarks was used prior to the Applicant's filing date (October 27, 2017) and was not abandoned at the date of the advertisement of the application (October 21, 2020). Accordingly, the relevant evidence on which the Opponent can rely is evidence of use that pre-dates the filing date of the application.

[52] Although the evidence put forward by the Opponent is sufficient to meet its burden for this ground with respect to the ITR Design Mark, I reach the same conclusions with respect to confusion with the ITR Design Mark as those set out in the section 12(1)(d) ground, given that the difference in material dates has no impact on my analysis of this factor.

[53] With respect to the Opponent's IR Design Mark, I note that there is no evidence in the Walters affidavit relating directly to this trademark beyond the particulars of the trademark registration. Accordingly, the Opponent has not met its evidentiary burden for this ground of opposition with respect to the IR Design Mark.



[54] Accordingly, this ground of opposition is rejected.

***Ground of Opposition: Section 2***

[55] The Opponent has also pleaded that contrary to section 2 of the Act, the Mark does not actually serve to distinguish and is not adapted to distinguish the Applicant's Goods and Services from the goods associated with the Opponent's Marks.

[56] The material date for a ground of opposition based on non-distinctiveness is the filing date of the opposition (April 21, 2021) [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185 at para 25].

[57] In *Bojangles' International, LLC v Bojangles Café Ltd*, 2006 FC 657 at paras 33-34, the Federal Court provided that a trademark could negate another mark's distinctiveness if it was known to some extent at least and its reputation in Canada was substantial, significant or sufficient or, alternatively, if it was well known in a specific area of Canada. A ground of opposition based on non-distinctiveness is not restricted to the sale of goods or services in Canada.

[58] Even if I were to conclude that the evidence put forward by the Opponent in the Walters affidavit is sufficient to meet this burden, I would reach the same conclusions with respect to confusion with the ITR Design Mark as those set out in the section 12(1)(d) ground, given that the difference in material dates has no impact on my analysis of this factor. Furthermore, as noted above, the Opponent has provided no evidence of use of the IR Design Mark. Accordingly, this ground of opposition is rejected.

***Section 38(2)(e) Ground of Opposition***

[59] The Opponent alleges that the Applicant either was not using or did not intend to use the Marks in Canada in association with the Services.

[60] The Opponent has failed to meet its evidential burden with respect to this ground of opposition as there is no evidence that the Applicant did not intend to use or was not using the Mark. As such, this ground of opposition is rejected.

**Ground of Opposition: Section 38(2)(f)**

[61] The Opponent alleges that contrary to section 38(2)(f) of the Act, at the filing date of the applications, the Applicant was not entitled to use the Marks in Canada in association with the Services because such use is likely to cause confusion with the Opponent's Marks.

[62] However, section 38(2)(f) addresses the Applicant's lawful entitlement to use the trademark (*i.e.*, in compliance with relevant federal legislation and other legal obligations) as opposed to the Applicant's entitlement to register the mark (relative to another person's trademark, pursuant to section 16 of the Act) [see *Premier Tech Home & Garden Inc v Ishihara Sangyo Kaisha, Ltd*, 2022 TMOB 25 at para 20; *DCK Concessions Limited v Hong Xia ZHANG*, 2022 TMOB 200 at para 39]. Only pleading that an applied for Mark was confusing with a previously used trademark is therefore not a fact that can support a section 38(2)(f) ground of opposition. As such, this ground of opposition is rejected.

**DISPOSITION**

[63] In view of the above, pursuant to the authority delegated to me under section 63(3) of the Act, I reject the oppositions pursuant to section 38(12) of the Act.

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G.M. Melchin  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

# Appearances and Agents of Record

**HEARING DATE:** 2023-07-13

## **APPEARANCES**

**For the Opponent:** Marta Cheng

**For the Applicant:** James Green

## **AGENTS OF RECORD**

**For the Opponent:** Riches, McKenzie & Herbert LLP

**For the Applicant:** Gowling WLG (Canada) LLP