

Federal Court



Cour fédérale

Date: 20180205

Docket: T-1473-16

Citation: 2018 FC 121

Ottawa, Ontario, February 5, 2018

PRESENT: The Honourable Mr. Justice LeBlanc

BETWEEN:

ASSURANT, INC.

Applicant

and

ASSURANCIA, INC.

Respondent

JUDGMENT AND REASONS

I. Introduction

[1] This is an appeal brought under section 56 of the *Trade-marks Act*, RSC 1985, c T-13 [the Act] of a decision of the Opposition Board of the Office of the Registrar of Trade-marks [the Board], dated June 9, 2016, rejecting the Applicant's opposition to the registration of the trademark "ASSURANCIA" [the Mark or ASSURANCIA] by the Respondent.

II. Background

A. *The Opposition to the Respondents Registration Application*

[2] The Respondent is an insurance broker and financial services firm incorporated in December 2007. On April 23, 2012, it filed registration application No. 1,574,477 with the Office of the Registrar of Trade-marks for the Mark. The application was based on a use of said trademark in Canada since January 2008 in association with insurance brokerage, financial services such as financial planning, and consulting services relating to insurance.

[3] The Applicant is the owner of thirteen (13) registered trademarks consisting of - or comprising of - the element "ASSURANT." Its opposition to the Respondent's registration application was filed on August 13, 2013. The Applicant claims that ASSURANCIA is confusing with its registered trademark ASSURANT, resulting in:

- a) The Mark not being registrable pursuant to paragraph 12(1)(d) of the Act;
- b) The Respondent not being the person entitled to registration of the Mark pursuant to subsections 16(1)(a) and (d) of the Act; and
- c) The Mark not being distinctive within the meaning of section 2 of the Act.

[4] The Applicant also opposed the Respondent's registration application on the ground that despite being aware at the time of the existence of its trademarks containing the word "ASSURANT," the Respondent nevertheless stated in its registration application that it was satisfied it was entitled to use the Mark in Canada in association with the goods or services described in the application. In so doing, the Applicant claims, the Respondent acted in bad faith

contrary to section 30 of the Act. This ground of opposition was dismissed by the Board. The Applicant is not pursuing it on appeal.

[5] In addition to evidence regarding the registration of the ASSURANT trademarks, the Applicant filed, in support of its opposition, the affidavit of Mr. Murtaza Tawawala, who was the Marketing Manager of Assurant Solutions for Canada at the time. This evidence spoke to the use, advertising and promotion of the ASSURANT trademarks and related trade-names in Canada in association with the Applicant's various insurance and financial services.

[6] For its part, the Respondent filed the affidavit of its president, Mr. Michel Duciaume, which dealt with the use, advertising and promotion of the Mark as well as with the Mark's sales figures between 2008 and 2013. It also filed the evidence of Mr. Guiseppe Anzuino, a paralegal employed by its trademarks agent firm, who conducted a search of the Canadian Register of Trade-Marks [the Register] to identify registration applications or active trademark registrations containing the particle "ASSUR" and the terms "ASSURANCE" or "INSURANCE" in the description of services which correspond to services related to the insurance field. Mr. Anzuino also made an internet search of the Canada 411 telephone directory to identify businesses with those components in their name.

B. *The Board's Decision*

[7] The Board dealt first with the ground of opposition based on subsection 12(1)(d) of the Act which provides that a trademark is not registrable if it is confusing with a registered trademark. Being satisfied that the Applicant had met its initial burden of proving that it owned a

number of Canadian registered trademarks containing “ASSURANT,” the Board proceeded to a confusion analysis. It noted in this regard that the burden was on the Respondent to prove, on a balance of probabilities, that the use of the Mark in association with the goods or services described in the registration application would not create confusion with the ASSURANT trademark. It further noted that a confusion analysis had to be conducted by taking into account all relevant circumstances, including those listed at subsection 6(5) of the Act, that is:

- a) The inherent distinctiveness of the trademarks at issue and the extent to which they have become known;
- b) The period during which these trademarks have been in use;
- c) The nature and of the goods, services or business at issue;
- d) The nature of the trade; and
- e) The degree of resemblance between the trademarks at issue in appearance, or sound or in the ideas suggested by them.

[8] Starting with the degree of resemblance (subsection 6(5)(e)), the Board concluded that despite a visual resemblance and a resemblance in the idea they suggest, a difference existed between the sound of the trademarks at issue due to the difference between the suffix “CIA” of ASSURANCIA and the letter “T” of ASSURANT.

[9] Then the Board discussed the factor set out in subsection 6(5)(a). It found the inherent distinctiveness of the marks at issue to be relatively low due to the suggestiveness of the parties’ trademarks as they contain a first component, “ASSURAN”, which strongly suggests the insurance field when these marks are used in association with the parties’ services. However, the

Board agreed with the Applicant that, as an invented word, ASSURANCIA possessed an inherent distinctiveness greater than ASSURANT's.

[10] Noting that the distinctiveness of a trademark could be enhanced by its use and the extent to which it has become known in Canada, the Board proceeded to examine the evidence on record regarding the use of the trademarks at issue. The Board was satisfied that as of the date of its decision, which is the relevant date on a section 12 analysis, the trademarks at issue were known in Canada in the insurance field. However, the Board found that the ASSURANT trademarks were better known in Canada than the Mark as the Respondent's activities were conducted primarily in the province of Quebec. Overall, it concluded that the criterion described in subsection 65(1)(a) of the Act did not favour either of the parties as the Mark was inherently more distinctive than the ASSURANT word mark while the latter was better known in Canada.

[11] As for the factor described in subsection 6(5)(b) regarding the period during which the trademarks at issue have been in use, the Board found that it favoured the Respondent "but not very significantly" as there was only a two-year gap between the lengths of time these trademarks have been in use, that is since 2008 for ASSURANCIA and 2010 for ASSURANT. The Board then considered the criteria set out in subsections 6(5)(c) and (d) relating to the nature of the services or business of the parties and the nature of their trade. It concluded that these favoured the Applicant as there was a close connection between the services offered by the parties. Contrary to the Respondent's assertions, the Board was not satisfied that a distinction needed to be drawn in the circumstances of this case, between insurance services and insurance brokerage services.

[12] The Board then considered what it described as “additional relevant circumstances” for the purposes of its section 12 confusion analysis. First, it considered evidence regarding the state of the Register and found that there was a multitude of marks containing the particle “ASSUR” and that since this particle was highly suggestive, it was sufficient to add another element to it to allow these marks to be distinguished. As for the Applicant’s argument that the common particle to the trademarks at issue was “ASSURAN” rather than “ASSUR”, the Board ruled that it was not expedient to distinguish between the two as both were highly suggestive and that the particle “ASSUR” was contained in the component “ASSURANT.” The Board underscored that when a party chooses to use a non-distinctive evocative name independently of any acquired distinctiveness, it must accept some confusion without penalty.

[13] Second, the Board noted that there was no evidence of confusion on record and ruled that an adverse conclusion could be drawn from it. Therefore, it concluded that the absence of such evidence favoured the Respondent.

[14] The Board’s overall conclusion as to the absence of confusion between the trademarks at issue regarding the subsection 12(d) ground of opposition is summarized at paragraphs 116 and 117 of the Board’s decision:

[116] I reach this conclusion by accounting for the fact that the Mark has greater inherent distinctiveness than ASSURANT word mark, although still low, and that the marks involved are different phonetically. Although the marks resemble each other visually and in the ideas they suggest, this resemblance is due to the common component ‘ASSURAN’, which is highly suggestive of the parties’ services, to say the least. Although this component forms the first part of the marks involved, this factor is lessened by the fact that this is highly suggestive. In such cases, a slight difference will be enough to distinguish them and reduce the probabilities of

confusion. Finally, it is expedient to remember that when a party chooses to use a non-distinctive evocative name independently of any acquired distinctiveness, it must accept some confusion without penalty [see *Man and His Home Ltd v Mansoor Electronic Ltd* 1999 CanLII 7603 (FC), 87 CPR (3d) 218].

[117] I would add that my conclusion of absence of probability of confusion is supported by the fact there is a lack of evidence of confusion, despite the coexistence of the marks in Quebec for a period of over 8 years [reference omitted].

[15] The Board then examined the two other grounds of opposition, namely those based on subsection 16(1) and the definition of what is “distinctive” in relation to a trademark at section 2 of the Act. First, the Board rejected the subsection 16(1) ground of opposition on the basis that the Applicant had not fulfilled its initial burden of proof by failing to establish that the ASSUTANT trademarks were known in Canada when the Mark was first used, that is as of the default date of January 31, 2008.

[16] As to the distinctiveness ground of opposition, the Board was satisfied that the Applicant had met its initial burden by establishing that as of the date of the filing of its statement of opposition, the ASSURANT trademarks were in use in Canada. However, the Board found that the difference between the relevant dates and the section 12 ground of opposition had very little effect on the confusion analysis so that its conclusions regarding this ground of opposition also applied to the distinctiveness ground of opposition.

[17] The Applicant’s opposition to the registration of the Mark was therefore rejected, the Board being satisfied that there was no likelihood of confusion between the ASSURANT and ASSURANCIA trademarks.

C. *The Appeal*

[18] On appeal, the Applicant has filed new evidence which, according to it, shows, contrary to the Board's findings, that the ASSURANT trademarks have in fact been in use in Canada for far longer and to a vastly greater extent than the Mark. This new evidence consists of an affidavit of Mr. Paul Cosgrove, Vice President of Business Development & Client Management for Assurant Solutions in Canada, purportedly showing use of the ASSURANT trademarks on a continuous basis between 1999 and 2010 in connection with the performance, advertising and promotion of the Applicant's services.

[19] According to the Applicant, that evidence materially affects the Board's confusion analysis and mandates redetermination of that issue which, in turn, can only lead to the conclusion that there is a likelihood of confusion between the parties' trademarks.

III. Issues

[20] As is most often the case in appeals brought under section 56 of the Act, this matter raises two issues:

- a) What is the applicable standard of review in light of the new evidence filed by the Applicant?
- b) Is there a likelihood of confusion between the ASSURANT and ASSURANCIA trademarks?

IV. Analysis

A. *The Applicable Standard of Review*

[21] Generally, questions of fact or law that are within the Board's expertise are reviewable against the reasonableness standard. In other words, this Court will only intervene if the Board's decision is clearly wrong (*Cyprus (Commerce and Industry) v Producteurs Laitiers du Canada*, 2010 FC 719 at para 28, 393 FTR 1, leave to appeal to SCC refused, 34430 (April 12, 2012) [*Cyprus*]; *Restaurants La Pizzaiolle Inc v Pizzaiolo Restaurants Inc*, 2015 FC 240 at para 40).

[22] However, as contemplated by subsection 56(5) of the Act, the reasonableness standard of review may give way to the correctness standard where fresh evidence is filed with the Court. This will generally occur where it is established that the fresh evidence, if placed before the Board, could have materially affected the Board's findings of fact or its exercise of discretion (*Hawke & Co Outfitters LLC v Retail Royalty Co*, 2012 FC 1539 at para 30, 424 FTR 164). That burden will be met where the fresh evidence fills gaps or remedies deficiencies that have been identified by the Board, and substantially adds to what has already been submitted. In such context, the Court will be empowered to consider the case based on the evidence before it as if it were a trial *de novo* (*Cordon Bleu International Ltd v Renaud Cointreau & Cie*, [2000] FCJ No 1416, 10 CPR (4th) 367 at para 23). *Cyprus* at para 28; *Molson Breweries v John Labatt Ltd*, [2000] 3 FC 145 (CA), at para 51).

[23] Fresh evidence that merely supplements or confirms earlier findings, that is repetitive of what was before the Board and that does not enhance the probative value of the evidence already

adduced will, however, not be sufficient to displace the deferential reasonableness standard, the test here being one of quality, not quantity. (*Canadian Council of Professional Engineers v Apa - The Engineered Wood Assn*, [2000] 184 FTR 55 at para 36, 7 CPR (4th) 239; *Timberland Co v Wrangler Apparel Corp*, 2005 FC 722 at para 7, 272 FTR 270).

[24] These principles were reaffirmed by the Federal Court of Appeal in the recent case of *Cathay Pacific Airways Limited v Air Miles International Trading BV*, 2015 FCA 253:

[15] The effect of section 56 was described as follows by the Supreme Court in *Mattel, Inc. v. 3894207 Canada Inc.*, 2006 SCC 22, [2006] 1 S.C.R. 772, at paragraph 35:

Where fresh evidence is admitted, it may, depending on its nature, put quite a different light on the record that was before the Board, and thus require the applications judge to proceed more by way of a fresh hearing on an extended record than a simple appeal (*Philip Morris Inc. v. Imperial Tobacco Ltd.* (No. 1) (1987), 17 C.P.R. (3d) 289 (F.C.A.)). Section 56 suggests a legislative intent that there be a full reconsideration not only of legal points but also of issues of fact and mixed fact and law, including the likelihood of confusion.

[25] The issue therefore is whether the Cosgrove Affidavit substantially adds to the evidence adduced before the Board so that if it could have been before it, it would have materially affected the impugned decision?

[26] As indicated previously, the Cosgrove Affidavit is intended to show that the ASSURANT trademarks have been used in Canada on a continuous basis since as early as 1999 in association with the Applicant's services. To that end, it provides samples of documentary exhibits showing that the said trademarks have been used in the performance of said services, and in related print

and on-line advertising and promotional materials, beginning in 1999 and at a significantly higher level from 2004 to present.

[27] The Respondent also filed fresh evidence which consists of a supplementary affidavit from its president, Mr. Duciaume, updating some of the information contained in his previous affidavit regarding the Respondent's advertising and promotional activities between 2010 and 2016 as well as on the revenues it generated for the years 2014 and 2015. However, it claims that none of the fresh evidence filed by either side adds anything substantial to the evidence adduced before the Board and that consequently, the Board's decision ought to be reviewed on a standard of reasonableness.

[28] In particular, while acknowledging, based on the Cosgrove Affidavit, that the ASSURANT trademark has been in use in Canada since prior to 2008, the Respondent contends that this new evidence is only relevant to one aspect of the Board's confusion analysis and would only have had a marginal impact on the Board's findings as this one aspect - the length of use of the trademarks at issue - only marginally impacted the analysis as a whole.

[29] It is true that for the confusion analysis, the Applicant's fresh evidence would be irrelevant to the Board's determination with regards to the degree of resemblance, nature of services and nature of the trade. It would also be irrelevant to the analysis of the additional relevant circumstances which the Board considered and which consist of the state of the register and market, and the lack of evidence of confusion. However, I am not prepared to concede that the same can be said with respect to the Board's determination of the section 16 ground of

opposition, which was dismissed due to insufficient evidence of use of the ASSURANT trademarks before the date of first use of the Mark, and to the Board's analysis of two of the confusion analysis factors, that is the length of time the trademarks at issue have been in use, and the inherent distinctiveness of said marks and the degree to which they have become known. There is little doubt that the Cosgrove Affidavit remedies deficiencies in the Applicant's evidence in this respect.

[30] It is important to underscore that in order to trigger the correctness standard, the fresh evidence does not need to be the kind of evidence that would have changed the Board's mind; it is sufficient, as I have already said, if it is the kind that could have had a material effect on the decision (*Scott Paper Ltd. v Georgia-Pacific Consumer Products LP*, 2010 FC 478 at paras 46-49).

[31] Here, I prefer to err on the side of caution and re-examine the grounds of opposition with the evidence I have before me although I agree that the Applicant's fresh evidence is, as contented by the Respondent, insufficient to tip the balance of the confusion analysis in its favour.

B. *The Confusion Analysis*

(1) Applicable Principles

[32] Canada's trademark regime is designed to meet two objectives that are useful to both consumers and businesses. First, it provides consumers with a reliable indication of the expected

source of the wares or services they consume; as such it offers a guarantee of origin - a gauge of quality - that the consumer comes to associate with a particular trademark. Second, it serves to maintain a balance between free and fair competition by building on principles of fairness in commercial activities and thus allowing a merchant to distinguish its wares and services from those of its competitors (*Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 222 at para 21, [2006] 1 SCR 772, [*Mattel*]; *Masterpiece Inc. v Alavida Lifestyles Inc.*, 2011 SCC 27 at para 1 [*Masterpiece*]).

[33] In the furtherance of these objectives, section 19 of the Act grants the owner of a registered trademark the exclusive right to the use of that trademark throughout Canada in respect of those goods and services referred to therein.

[34] In order for this exclusive right to be effective, there cannot be confusion between the trademark in question and another trademark anywhere in Canada (*Masterpiece* at paras 31 and 33). In this regard, the Act provides mechanisms for the protection of the effectiveness of that right specifically through conditions under which trademarks may be registered (section 12) and limits to the right of any person to register a trademark (section 16).

[35] Where, as is the case here, the owner of a registered trademark objects, through these mechanisms, to the registration of a trademark which, in its view, is likely to be confusing with its own, both sides bear an onus. First, the opponent must establish that the facts alleged to support each ground of opposition exist. If the opponent is successful, it is then incumbent on the party seeking registration to satisfy the Board, on a balance of probabilities, that its registration

application complies with the requirements of the Act (*John Labatt Ltd. v Molson Co.* (1990), 30 CPR (3d) 293, 36 FTR 70, affirmed on appeal (1992), 42 CPR (3d) 495, 57 FTR 159; *Cyprus* at paras 25–28).

[36] Subsection 6(2) of the Act defines the concept of confusion as follows:

6(2) The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

6(2) L'emploi d'une marque de commerce crée de la confusion avec une autre marque de commerce lorsque l'emploi des deux marques de commerce dans la même région serait susceptible de faire conclure que les produits liés à ces marques de commerce ont été fabriqués, vendus, donnés à bail ou loués, ou que les services liés à ces marques sont loués ou exécutés, par la même personne, que ces produits ou ces services soient ou non de la même catégorie générale.

[37] As correctly pointed out by the Board, the concept of confusion under the Act is to be applied from the point of view of the average consumer and is essentially a matter of first impression. The question to resolve is therefore whether the “casual consumer somewhat in a hurry,” who sees the Mark and who has no more than an imperfect recollection of any one of the ASSURANT trademarks, would likely be confused, that is, is that consumer likely to think the Respondent is the same source of insurance and financial services as the Applicant (*Masterpiece* at paras 40-41; *Veuve Clicquot Ponsardin v Boutiques Clicquot Ltée*, 2006 SCC 23 at para 20 [*Veuve Clicquot*]; *Miss Universe, Inc v Bohna*, [1995] 1 FC 614 (FCA) at paras 10-11 [*Miss*

Universe]; *Compulife Software Inc. v CompuOffice Software Inc. (2001)*, 13 CPR (4th) 117 at para 18 [*Compulife*]).

[38] The test for confusion requires an overall examination of the competing trademarks as they would be encountered by the average consumer. In other words, the trademarks at issue are to be considered as a whole, not broken down into their elements and syllables to be analysed by experts (*Veuve Clicquot*, at para 20; *Masterpiece* at para 40). Also, the test is based upon the hypothetical assumption that the trademarks involved are used “in the same area”, irrespective of whether this is actually the case (*Masterpiece*, at para 30).

[39] Subsection 6(5) of the Act states that an examination of the likelihood of confusion between two competing trademarks must “have regard to all of the surrounding circumstances”, including the list factors set out therein. That list, which is reproduced at paragraph 8 of these Reasons, is not exhaustive and the Board is not required to assign the same weight to each of the factors examined (*Mattel* at para 54; *Veuve Clicquot* at paras 21 and 27).

[40] Without foregoing its arguments on non-registrability (section 12) and non-distinctiveness (section 2) and although most of its written submissions on appeal are devoted to non registrability, the Applicant opted, at the hearing of the present appeal, to focus on non-entitlement (section 16), claiming it only needs to succeed on one of these three grounds of opposition to prevail on appeal. It further claims that since the burden of proof rests ultimately with the Respondent, the impugned registration application must be dismissed if, at the end of the confusion analysis, the probabilities of confusion and non-confusion are evenly balanced.

(2) Non-entitlement

[41] Section 16 provides that a person applying for registration of a registrable trademark in association with goods or services is entitled to registration in respect of these goods or services unless at the date it first used said trademark or made it known the trademark was confusing with a trademark that had been previously used or made known in Canada by any other person. Here, the Respondent claims it first made use of the Mark in January 2008. Since no specific date is claimed, the Board determined the date of first use to be the last day of the month, which is January 31, 2008. The Applicant is not challenging that finding.

[42] Given that the Respondent now concedes that the ASSURANT trademark was in use as of or before January 31, 2008, the Applicant's initial burden of proof on non-entitlement is, contrary to the Board's finding, fulfilled. A non-entitlement confusion analysis is therefore required.

[43] According to *Masterpiece*, the confusion analysis should start by considering the resemblance between the trademarks at issue as it is often the factor likely to have the greatest effect on the analysis, the other factors only becoming significant once the trademarks in question are found to be identical or very similar (*Masterpiece* at para 49).

[44] The Board found that despite a certain resemblance both visually and in the idea they suggest, the two trademarks at issue sounded differently due to their different suffixes "T" (for ASSURANT) and "CIA" (for ASSURANCIA).

[45] The Applicant takes issue with this finding. First, it claims that the Board erred by analyzing the trademarks syllable by syllable, not as a whole and as a matter of first impression as directed by the case law. It contends that, taken as a whole, the Mark has a “profound visual, phonetic, and connotative resemblance to the ASSURANT Trade-marks” and that any perceived dissimilarities between the two competing trademarks, due to differing suffixes, “cannot dispel the overwhelmingly strong resemblance between the two”, as evidenced by the seven letters common to both trademarks.

[46] I disagree. Key to the Board’s finding in this respect - and to its overall findings for that matter - is the fact that the resemblance between the trademarks at issue, both in appearance and in the ideas they suggest, is due to the presence of the highly suggestive and non-distinctively evocative common component ‘ASSURAN’. This results in slight differences between the trademarks, such as different suffixes giving the trademarks as a whole a different sound, being enough to distinguish them and reduce the risk of confusion. Also key to the Board’s findings is the longstanding principle that when a party uses words or terms commonly used in their trade, some degree of confusion is to be expected, but that the average consumer in such context will tend to distinguish between the non-common features of the respective trademarks (*Molson Co. v John Labatt Ltd, (1994)*, 58 CPR (3d) 527, at paras 6-8 [*John Labatt*]).

[47] Here, there is undeniably some degree of resemblance between ASSURANCIA and ASSURANT but this comes from the shared feature - “ASSURAN” - which is suggestive of insurance, the industry in which both parties offer their services. This is why, in my view, the non-common features of these competing trademarks – the suffixes “T” and “CIA” – are so

critical to the whole confusion analysis. In *Ultravite Laboratories Ltd. v Whitehall Laboratories Ltd.* ([1965] SCR 734 at p 737 citing *Sealy Sleep Products Limited v Simpson's-Sears Limited* (1960), 33 CPR 129 at 136), the Supreme Court of Canada cautioned against concentrating the confusion analysis on the similarities of competing trademarks:

“It is not a proper approach to the determination of whether one trade mark is confusing with another to break them up into their elements, concentrate attention upon the elements that are similar and conclude that because there are similarities in the trade marks, the trade marks as a whole are confusing with another. Trade marks may be different from one another and, therefore, not confusing with another when looked at in their totality, even if there are similarities in some of the elements when viewed separately. It is the combination of the elements that constitutes the trade mark and it is the effect of the trade- mark as a whole, rather than of any particular part in it, that must be considered.”

[48] Although the competing trademarks must be considered in their entirety, it is still possible to focus on particular features that may have a determinative influence on the average consumer's perception of the trademark (*Molson Breweries v Anheuser-Bush Inc.*, 2003 FC 1294 at paras 55-59 [*Molson Breweries*]). This is what the Board has done in this case and I see nothing wrong, in law, with that approach.

[49] In the present case, I consider that as both trademarks clearly suggest insurance by the common element used, the rest of the trademarks as a whole are sufficient to distinguish their sounds and, to a certain extent, their appearances as well. I see, therefore, no reason to interfere with the Board's finding that although they share some resemblance, the trademarks at issue, when taken as a whole, are, by virtue of their non-common features, dissimilar in sound and ultimately distinguishable to the average consumer.

[50] For the same reasons, I see no basis to interfere with the Board's conclusion respecting the inherent distinctiveness of the trademarks at issue. The Board found that both trademarks had a low degree of inherent distinctiveness as their main and common feature – "ASSURAN" – was highly suggestive of the insurance field when these trademarks are used in association with the parties' services. However, it concluded that ASSURANCIA, as an invented word, had an inherent distinctiveness greater than the ASSURANT trademarks.

[51] The Applicant's main contention on this point is the Board's alleged failure to consider this factor from the perspective of the Anglophone consumer. It claims that in Canadian trademarks confusion cases, the test is whether there is a risk of confusion for the average Francophone consumer, the Anglophone consumer or the bilingual consumer so that if there is a risk of confusion in either of the country's two official languages, a trademark cannot be registered.

[52] Here, the Applicant contends that the Board apparently considered the competing trademarks inherent distinctiveness only from the perspective of the Francophone consumer. It says that the trademarks' common feature – "ASSURAN" – may be suggestive of insurance services to the average Francophone consumer but not to the average Anglophone consumer for whom that common feature rather merely suggests general ideas of making sure or certain of something as in Canadian English, the word "assure" signals no particular association with the field of insurance. Therefore, for the average Anglophone consumer, the ASSURANT trademarks would be just as likely perceived as an invented word as ASSURANCIA would for the average Francophone consumer. This, the argument goes, should provide the ASSURANT

trademarks with the same degree of inherent distinctiveness as the Mark and protect from neutralization the Applicant's superior position in terms of the extent to which the ASSURANT trademarks are known in Canada.

[53] The Applicant cites *Smithkline Beecham Corporation v Pierre Fabre Médicament*, 2001 FCA 13 [*Smithkline*] and *Bluedot Jeanswear Co. v 9013-0501 Québec Inc.*, 2004 FC 197 [*Bluedot*], to support its contention that there is a risk of confusion if an Anglophone consumer, Francophone consumer or bilingual consumer would be confused as to the origin of the goods or services associated with the trademarks.

[54] In *Smithkline*, the question on appeal was whether the Court had erred when considering confusion from only a bilingual perspective. The Applicant cites paragraphs 10 and 13 to 15, which supports the assertion that the risk of confusion exists if there is risk of confusion in either official language. In paragraph 13, the Court wrote that “[T]he approach adopted by the Court is easily comprehensible. French and English are of equal value in Canada.” If they have equal value, the trademark that is an invented word in both official languages would still be more distinctive than a trademark that could be perceived as an invented word in only one of the official languages.

[55] However, I believe para 7 of the decision is pertinent in ensuring that *Smithkline* is not taken out of context and leads me to conclude that the fact that a trademark is suggestive of the products or services associated with the trademark in either French or English would be detrimental to its inherent distinctiveness.

7. In *Boy Scouts of Canada v. Alfred Sternjakob GmbH & Co. KG* (1984), 2 C.P.R. (3d) 407 (Fed. T.D.), Joyal J. expressed the following opinion, at page 413:

... It could be argued that the criteria in the Trade Marks Act and the evidential findings thereunder as to confusion or deception should be measured not only with reference to English-speaking experience but to French-speaking experience as well. This would result in an inquiry as to the connotation or otherwise of certain words in a bilingual context, with each language having equal presence.

It is a fact that the policy of the Trade Marks Office and the practice of counsel and of agents before it is to check into and analyze the descriptive, misdescriptive, misleading, distinguishing and confusing consequences which flow from a French or English adaptation of any particular word or the use of it as a registered trade mark.

[56] In *Bluedot*, the common element of the two trademarks in question (ORAGE and RAGE JEANS) was “RAGE”, which means the same thing in both official languages. The Court concluded that both trademarks had a low degree of inherent distinctiveness, and that the inherent distinctiveness factor was neutral. Unlike the present case, there is no question of invented words, or that the common element of the two trademarks is suggestive of the product associated with the trademark in either language.

[57] In short, I am inclined to disagree with the Applicant’s argument and conclude, as the Board did, that a trademark that is an invented word in the two official languages is more distinctive than a trademark that is an “invented” word in English but an actual word in French. Accepting the Applicant’s argument that ASSURANT has the inherent distinctiveness of an invented word in English and therefore not allowing the ASSURANCIA trademark’s registration

as a result would give the Applicant the exclusive use of the majority of the French word for “insurance” (and the present participle of the verb “to insure” in French). This is tantamount to concluding that, should the languages be reversed, two trademarks composed of “INSURAN” with differing suffixes and associated with insurance services would be confusing to the average unilingual Francophone consumer, an occurrence that seems doubtful to me.

[58] Furthermore, as pointed out by the Respondent, the word “assurance” in English does convey a meaning associated with the field of insurance, as evidenced by the definitions of the *Merriam-Webster’s Collegiate Dictionary* and the *Oxford Dictionary* referenced by the Respondent. Although the use of that word in relation to insurance might be more common in Great-Britain than in Canada, I agree with the Respondent that there is nothing on record suggesting that this particular meaning of the word “assurance” would not be understood by the average Anglophone consumer here in Canada as many other words of the English language more commonly used in Great-Britain such as “trousers” (for “pants”), “flat” (for “apartment”) and “petrol” (for “gasoline”) are understood.

[59] Given that I am permitted to take judicial notice of the dictionary meaning of words (*R v Krymowski*, 2005 SCC 7 at para 22), I would add that the English words “assurer” and “assuror”, which are no doubt part of the commonly understood vocabulary in Canada, both have a common element with ASSURANT (ASSUR) and both convey a meaning – that of someone selling insurance – directly associated with the insurance field. Therefore, it is not readily apparent, as a matter of fact, that the ASSURANT trademarks would only carry the general idea

of making sure or certain of something to the average Anglophone consumer and would not be suggestive of insurance products or services.

[60] Also, given that consumers normally buy insurance for the assurance that they are protected in case of loss, I find that the Applicant's argument is not particularly strong, especially considering, as I said, that if I were to accept the Applicant's argument, this would give the Applicant, for all intents and purposes, the exclusive use of the root of the word for insurance in French in association with insurance products.

[61] I also agree with the Respondent that the Applicant's argument on the inherent distinctiveness of the ASSURANT trademarks is flawed in law as it implies that the well-established principle that highly suggestive trademarks do not benefit from much protection under the Act and that a slight difference will be enough to distinguish between them and reduce the probabilities of confusion, would only apply to trademarks that are highly suggestive in both official languages. Nothing in the case law supports such a proposition. To the contrary, as pointed out by the Respondent, there are examples of instances where competing trademarks containing a common descriptive element in only one official language were held not to be confusing. *Molson Breweries* and *Compulife* are two of them. The common descriptive elements in these two cases were "Gold" and "Golden" in one instance and "Compu" in the other.

[62] I therefore find that contrary to the Applicant's contention, the ASSURANT trademarks do not have the same degree of inherent distinctiveness than the Mark; the Mark's is greater.

[63] That being said, according to the Applicant's fresh evidence, the ASSURANT trademarks have been known across Canada since before 2008 while the Mark has been known in Quebec since only 2008, and although some of its advertising does have a national reach, it only conducts business in Quebec. The ASSURANT trademarks are therefore better known in Canada than the ASSURANCIA trademark.

[64] The Respondent agrees that the ASSURANT trademarks have been in use since before 2008, though the Applicant claims the new evidence demonstrates use going back to 1999. Since the Mark has only been in use since January 2008, this circumstance also favours the Applicant as does the nature of the parties' services and trade which overlap, though one party is an insurer and the other an insurance broker. The Board held, contrary to the Respondent's contention, that this did not constitute a difference between services as both parties offer insurance and financial services. The Respondent is not challenging this finding on appeal and I see no reason to depart from it.

[65] Considering only the factors listed at subsection 6(5) of the Act, reputation, length of use and the nature of the services and trade favor the Applicant. However, this is not the end of the confusion analysis as such analysis must have regard "to all the surrounding circumstances". One of them is the state of the Register and markets. These circumstances demonstrate that the resemblance between ASSURANT and ASSURANCIA is common in the market and common to trademarks with related services. In order to determine that the state of the Register and markets indicate a low risk of confusion, evidence must demonstrate that there are numerous trademarks on the market that include the common characteristic (*Welch Foods Inc. v Del Monte*

Corp, [1992] FCJ No 643, 44 CPR (3d) 205 at paras 9-10; *Ports International Ltd. v Dunlop Ltd.*, [1992] TMOB No 2, 41 CPR (3d) 432 at para 10).

[66] The evidence submitted to the Board shows that there are 69 citations from the Register containing “ASSUR” followed by another suggestive element and associated with insurance, including ASSURACCI and ASSURAIDE, both of which share their first six letters with ASSURANT and ASSURANCIA. Furthermore, of a list of over 900 insurance companies and insurance brokers practicing in Quebec, there are 130 brokers and 37 insurers using “ASSURAN” in their business or company name. One could argue that these examples are geographically limited but I believe they should be given significant weight given that Quebec is the second largest province by population, and it is generally accepted to be the only province where Francophones make up the majority of the population. It is therefore the only province where the most commonly used word to reference insurance is “assurance”.

[67] As I indicated earlier, the factors listed in subsection 6(5) of the Act, when examined on their own, could lead to the conclusion that ASSURANCIA is confusing with ASSURANT. However, it would be a mistake to reject the ASSURANCIA application on those grounds. In the confusion analysis, the state of the Register and market should be given significant weight as it explains why some of the circumstances listed at subsection 6(5) appear so favourable to the Applicant: the identical part of both parties’ trademarks is commonly used in - and are highly suggestive of - their industry.

[68] In *John Labatt* (at paras 6 and 8), the Court of Appeal made it clear that when a party uses words or terms in common use in their trade, such party must expect some degree of confusion. A greater degree of discrimination can be expected from the public where trademarks are descriptive and consumers tend to distinguish between the non-common features of the respective marks. In the present case, both trademarks start with “ASSURAN” which is commonly used in the Quebec insurance industry and part of that, “ASSUR” is used in many registered trademarks associated with insurance. Some degree of confusion is therefore to be expected and the distinguishing elements, in the case the suffixes “T” and “CIA” are enough to differentiate trademarks.

[69] I agree with the Board’s assessment that ASSUR and ASSURAN are equally as suggestive of the industry in which both parties do business as they are both contained in the word “assurance” which is suggestive of the insurance industry in English and means “insurance” in French. The additional “AN”, common to both marks, does less to distinguish them from the many “ASSUR” marks than their “T” and “CIA” suffixes distinguish them from each other, as the average consumer, used to differentiating between the “ASSUR” marks, will be looking for the trademarks’ distinguishing factors.

[70] I find that the confusion analysis favours the conclusion that there is no risk of confusion between the trademarks at issue. Like the Board, I am not obliged to give the same weight to the various factors coming into play in the confusion analysis (*Mattel* at para 54; *Veuve Clicquot* at paras 21 and 27). In the present case, I give more weight to what appears to me to be the key factors in the particular circumstances of this case that is the inherent distinctiveness of both

trademarks, the degree of resemblance between the marks, and the state of the Register. None of these factors favour the Applicant. Furthermore, the state of the Register neutralises two factors, the nature of the trade and the nature of the goods services or business, which would otherwise favour the Applicant. Given that the state of the Register demonstrates that there are several “ASSUR” marks associated with insurance services as well as two “ASSURA” marks, I cannot conclude that the common element of the marks at issue are distinctive to the Applicant in association with the insurance industry.

[71] The non-entitlement ground of opposition must therefore fail.

(3) Non- Registrability

[72] As there is no doubt that the Applicant’s trademark was registered and in use at the date of the Board’s decision, which is the date for analyzing the ground of opposition based on subsection 12(1)(d) of the Act (*Park Avenue Furniture v Wickes/Simmons Bedding Ltd.*, 37 C.P.R. (3d) 413 at p 424), the Applicant meets its initial burden of proof. However, I reach the same conclusion as to the risk of confusion between the Respondent’s Mark and the Applicant’s Mark as I reached under the section 16 ground of opposition. The Mark it therefore registrable.

(4) Distinctiveness

[73] I examined the distinctiveness of the ASSURANT and ASSURANCIA trade-marks in paragraphs 51 to 63 of these Reasons. I would however add that based on this Court’s decision in *Altacor Inc. c Nutravite Pharmaceuticals Inc.* (2003) 27 CPR (4th) 99 (FC) [*Altacor*], rejecting

NUTRILITE's opposition to NUTRAVITA, it is entirely open for this Court to conclude that as a made up term, in an industry where the use of the root "ASSUR" is common, ASSURANCIA is distinctive (*Altico* at para 36; see also *Compulife*).

[74] In addition to my conclusions that there is no risk of confusion between the ASSURANT and ASSURANCIA marks, and that the Respondent is entitled to registration of its Mark, which is both registerable and distinctive, I think that it would set a dangerous precedent to allow the Applicant's opposition to stand. ASSURANT is the present participle of the verb to insure in French. Furthermore, the part common to both trademarks is also shared with "assurance", the word for "insurance" in French. If this opposition is accepted, would a trademark beginning with "assurance" be opposable as well? Even if I were to conclude that there was a risk of confusion between the trademarks at issue, I maintain "that risk must be run unless the [Applicant] is allowed unfairly to monopolise the words" (*John Labatt* at para. 6, citing *Office Cleaning Services, Ltd. v. Westminster Window and General Cleaners, Ltd.*).

[75] In sum, I am satisfied that a casual consumer somewhat in a hurry who sees the Mark and who has no more than an imperfect recollection of any one of the ASSURANT trademarks, is not likely to think that the Respondent is the same source of insurance and financial services as the Applicant. The Applicant's appeal is therefore dismissed, with costs, and the Board's decision rejecting the Applicant's opposition to the registration of the Mark, is hereby affirmed.

JUDGMENT

THIS COURT'S JUDGMENT is that the appeal is dismissed, with costs.

“René LeBlanc”

Judge

FEDERAL COURT
SOLICITORS OF RECORD

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