

Year in Review: 2009 Intellectual Property Surveys



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This publication contains excerpts from decisions referencing survey evidence (or lack thereof) in intellectual property decisions between January 2009 and December 2009.

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1. College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia v. Council of Natural Medicine College of Canada, 2009 FC 1110

In this case, the plaintiff accused the defendant of passing off (among other claims) the plaintiff's registered acronyms (which they claimed functioned as trade-marks) for their own, causing potential confusion among the public and diminishing the distinctiveness of the plaintiff's marks. The plaintiff did not submit a formal survey as evidence of the public's awareness of the marks, but instead submitted multiple pages from the Yellow Pages indicating the prevalence of the marks. On this motion, the judge ruled in favour for the plaintiff and disregarded the lack of survey evidence, observing that it was not always reliable.

Plaintiff's Motion:

The plaintiff requests the following relief: 1. A permanent injunction restraining the defendant and each of its partners....from: (a) adopting, using, licensing and otherwise authorizing others to use the following abbreviations and words in association with educational training, certification and registration services, the operation of a traditional Chinese medicine or acupuncture clinic, and the practice of traditional Chinese medicine and acupuncture...

.....and all abbreviations and words that are confusingly similar thereto; are likely to lead to the belief that the services in association with which it is used are a professional designation or a degree, or have otherwise received governmental approval; or any mark so nearly resembling such a mark as to be likely to be mistaken.

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[The plaintiff] states that abbreviations such as DTCM, D. TCM, D.T.C.M., T.C.M.D., Dr. TCM and Dr. T.C.M. are all abbreviations that have been used interchangeably to mean Doctor of Traditional Chinese Medicine in Canada. Acupuncturists have been referred to as R. Ac., Registered Acupuncturist and Reg. Acupuncturist.

The plaintiff then provided representative samples of advertising in the Yellow Pages, directories, certificates and qualifications, letters and business cards, and newsletters and other publications as evidence of their historical use. R. Ac and DTCM and Dr. TCM were used repeatedly throughout many years and long before they were regulated or used in trade-mark applications.

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Defendant's Submissions:

The Yellow Pages ads and other documents showing historical use of the Dr. TCM, D.T.C.M. and R. Ac acronyms provided in the [the plaintiff's] affidavit does not establish that the public had a general understanding of what those acronyms stood for. The plaintiff needed to provide survey evidence to establish that such acronyms were known to the general public as practice titles or educational credentials at the relevant time. The plaintiff's reliance on the evidence of interested parties does little to establish a widespread public perception.

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... the lack of survey evidence is also problematic, submits the defendant. Statements by interested parties of the CTCMA do not establish widespread public confusion....Ultimately, the defendant fails to establish that the public is confused by the Defendant's trade-marks.

Analysis and Decision:

I am of the view that the evidence that has been put forward by the plaintiff and defendant is the best possible evidence for these issues. The contradictions in evidence, of which there is little, are not material to the extent that summary judgment would not be appropriate. It is also not the case that the evidence presented was entirely from interested parties on both sides, there was other evidence before me. As well, cases such as *Big Sisters Association of Ontario v. Big Brothers of Canada* (1997), 75 C.P.R. (3d) 177 note that there is often significant difficulties and weaknesses in the implementation of surveys.

I therefore find that this is an appropriate case to be determined pursuant to Rule 216.

2. *Setanta Sports NA Ltd., Rogers Sportsnet Inc., v. The Score Television Network Ltd.* 2009 CV-09-382682, Ontario Superior Court of Justice

In this case, the plaintiff submitted to evidence an in-house survey that spoke to the popularity of a particular type of programming among its viewers. The defendant brought to the judge's attention the many flaws with the survey, including the absence of basic sampling information, and the judge dismissed it. On this motion, the judge ruled in favour of the plaintiff, but did not take the survey evidence into account.

Plaintiff's Motion:

The plaintiffs bring this motion for an interlocutory injunction to prevent the defendant, The Score Network Television Network Ltd. ("The Score"), from acting upon a termination notice sent on June 25, 2009, unilaterally terminating a sublicense agreement (also referred to as the "letter agreement") with Setanta Sports North America Ltd. ("Setanta NA").

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Question: Will any of the plaintiffs suffer irreparable harm if the injunction is not granted?

The plaintiffs submit that defendant's purported termination of the letter agreement is likely to cause irreparable harm to each of the plaintiffs....it is submitted that given that the new FAPL season is commencing in a matter of weeks, the loss of this high-profile and popular programming...will cause the plaintiffs to suffer not only a loss of profits, but also severe damage to their reputation and goodwill with advertisers, program suppliers, distributors and, especially, their audiences and expose Setanta NA to the consequences of the breach of its agreements with Setanta Canada and Sportsnet.

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The plaintiffs rely on market research conducted by Setanta NA that they submit shows that, for about 80% of Setanta NA subscribers, FAPL programming is the main reason for subscribing. [The defendant] submits that for a number of reasons this evidence is wholly unreliable and should be given no weight. First of all, at the outset of his cross-examination, [the plaintiff] corrected this evidence by indicating the 80% figure was for all of Setanta NA's subscribers in Canada, the United States and the Caribbean and that he did not have separate statistics for just Canada. Furthermore, this was an in-house survey done solely by Setanta NA

and Setanta Canada did not participate in the survey process at all. The survey was an e-mail based survey and [the plaintiff] was unable to identify the size of the sample and he did not know how many Canadian subscribers, if any, responded to the survey.

Decision:

I accept [the defendant's] submissions with respect to the survey evidence and will therefore not take it into account.

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For these reasons I have concluded that all of the plaintiffs, especially Setanta Canada, would likely suffer irreparable harm if the injunction is not granted.

3. Copyright Board, Statement of Royalties to be collected by Access Copyright for the reprographic reproduction, in Canada, of works in its repertoire. Supplement, Canada Gazette, Part I, June 27, 2009.

The Copyright Board of Canada Access Copyright certified a tariff for the reprographic reproduction of works in the repertoire of Access Copyright by educational institutions. The tariff entitles schools, through the payment of royalties to Access Copyright, to make and distribute copies of published works for any not-for-profit purpose.

Once per year Access Copyright conducts a bibliographic survey of schools to investigate the amount and type of reproduced copyrighted material in a specific institution. Based on this information, the royalties can be distributed correctly and fairly to the original copyright owners.

The following are excerpts from the letter Access Copyright sent to the different schools participating in the survey, describing the process and reasons for the survey.

... The purpose of the survey is to ensure that the correct creators and publishers are paid for those works which are copied. The results, along with those collected from other school jurisdictions, establish the fairest possible basis for the distribution to copyright holders of royalties that are collected from the tariff.

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For all copyright material photocopied (covered by the tariff or not), users will be asked to make a copy of the page of each copied published work that contains the most bibliographic information and shall indicate, on a sticker supplied by Access Copyright and to be affixed to the back of the copy, the date the copy was made, the number of original pages copied from the work and the number of sets of copies made.

News Release: Copyright Board sets the royalty rate to be paid for the reprographic reproduction made by educational institutions outside Quebec for the years 2005 to 2009. June 26, 2009

Decision of the Board:

The study found that of the primary and secondary schools and ministries of education sampled, 10.3 billion pages were photocopied (in the 2005/06 year). Based partly on this survey evidence, the Board decided to increase the tariff charged to these institutions from \$2.45 per full time equivalent student (FTE) to \$5.16 per FTE. The amount of royalties will vary each year depending on the number of FTE – in 2005/06 the estimated royalties to be paid are \$20 million. The second part of the decision to raise the tariff was based on the fact that many photocopies are already allowed through the fair dealing exception of the Copyright Act.

4. *Wrangler Apparel Corp. v. Big Rock Brewery Partnership*; [2009] T.M.O.B. No. 18; [2009] C.O.M.C. no 18; 72 C.P.R. (4th) 16; Decision: January 5, 2009.

The Trade-marks Opposition Board (T.M.O.B) criticized Wrangler for failing to provide evidence of a “mental association” between WRANGLER jeans and a beer by the same name, that could lead to confusion. Fame of the brand alone is not sufficient evidence that such a connection would exist. The decision of the Board was to reject the grounds for opposition to registering the trade-mark WRANGLER in association with brewed alcoholic beverages.

Decision:

... I find that little, if any, evidence has been provided by the Opponent to establish that western and country life-style is closely associated with beer...Not only has the Opponent failed to adduce supporting evidence on this point, it has also failed to adduce any evidence (such as any kind of survey evidence or studies, etc.) establishing that a mental association would be made by the consumer between the Opponent's well-known mark and the Applicant's Wares that is likely to confuse the consumer as to the source of the wares. The Opponent's contention in this respect appears to rely solely on the fame of its WRANGLER mark; it contends that this fame by itself would be sufficient to create that association.

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While I find that the Opponent's mark has become well- known in Canada...whether one's trade-mark aura extends to the facts of a particular case is a matter not of assertion, but of evidence. ... the Opponent has elected not to file any kind of evidence (such as survey evidence, studies, etc.) in support of its contention that a mental association would be made by the consumer between the Opponent's well-known mark and the Applicant's Wares that is likely to confuse the consumer as to the source of the wares. I find that fame itself is not sufficient to conclude that there is a reasonable likelihood of confusion in the present case.

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Having been delegated by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I reject the opposition, the whole pursuant to s. 38(8).

5. *Allergan Inc. v. Toutounghi*; [2009] T.M.O.B. No. 26; [2009] C.O.M.C. no 26; 74 C.P.R. (4th) 243; Decision: January 22, 2009.

The Trade-marks Opposition Board found that the applicant had failed to show there was no reasonable likelihood of confusion with the opponent's trade-marks and rejected the application. However, the T.M.O.B criticized the opponent for submitting survey evidence without a qualified expert having overseen it, and without minimum standards of disclosure, and therefore did not take the survey evidence into account when weighing the opponent's evidence.

Decision:

...the Opponent also filed excerpts of a survey ...to establish the Canadian public's growing awareness of the BOTOX mark between June 2000 and December 2002. I am not prepared to give any weight to this survey given that it was not filed into evidence by a qualified expert and that it is impossible for me to determine whether this survey was properly designed and conducted in an impartial manner [see to this effect *Mattel, supra*, also discussing the admissibility of survey evidence]. For example, none of the questions asked during the telephone interviews conducted for the survey are attached to the survey.

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... I reject the application for the registration of the Mark pursuant to section 38(8) of the Act.

6. *Starbucks Corp. (d.b.a. Starbucks Coffee Co.) v. Food Steps International Inc.* [[2009] T.M.O.B. No. 134; [2009] C.O.M.C. no 134; Decision: October 13, 2009.

The T.M.O.B. found that a certain type of survey may have made the difference between the opponent meeting and not meeting its evidentiary burden. The survey in this case could have been one accomplished by mystery shop visits (though the T.M.O.B did not use that term), rather than collection of opinions from individuals. The Board found in favor of the defendant and allowed the registration of the trade-mark, even though the applicant's evidence was deficient. A survey submitted by the opposition would have given cause to reject the application.

Decision:

If the opponent had presented a survey of several retail food outlets....showing that the specified wares were not, in fact, available for purchase under the mark TAYO, then it is likely that the opponent would have met its evidential burden. The opponent might have submitted such evidence as part of its evidence in chief, or as additional evidence...It would not have been onerous for the opponent to have done so....However, the absence of evidence of sales of the specified wares in the evidence provided by the applicant does not suffice for the Section 30(b) ground of opposition to succeed where the opponent's evidential burden has not been satisfied. Had the opponent met its evidential burden, then the application would have been refused because the applicant's evidence would have been entirely deficient to meet the legal onus on the applicant.

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In view of the foregoing, the opposition is rejected. This decision has been made pursuant to a delegation of authority under Section 63(3) of the *Trade-marks Act*.

7. *Chamberlain Group, Inc. v. Lynx Industries Inc.*; [2009] T.M.O.B. No. 138; [2009] C.O.M.C. no 138; Decision: October 19, 2009.

The T.M.O.B observed that a particular weakness of the survey evidence led to the failure of the opponent to meet its evidentiary burden. The opponent relied on a survey of American consumers, without sufficient expertise on the part of its expert witness to extrapolate the results to Canada. The Board dismissed the survey evidence, found there was no likelihood of confusion between the marks, and dismissed the grounds for opposition.

Admissibility of Evidence:

When the Applicant filed its evidence, it objected to the filing of ...2) the first [plaintiff's] affidavit.... [the plaintiff's witness] is a market researcher who conducted a consumer survey on behalf of the Opponent in the United States.

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...[The applicant submits that] the Opponent's affidavit should be disregarded, the Applicant relies upon *National Hockey League v. Pepsi-Cola Canada Ltd.*, [1995] B.C.J. No. 310 (C.A.), which it cites for the proposition that survey evidence is only relevant if it canvasses the correct universe and cannot be extrapolated to make conclusions about what would occur in other geographical areas. [The Opponent's] affidavit introduces the results of a survey that he conducted in the United States on behalf of the Opponent for use in an opposition against the Applicant's U.S. trade-mark application for LYNX MASTER. The argument therefore is that the results of a U.S. survey have no meaning with respect to Canada. [The Opponent's] attestation that he has "no reason to believe that the results obtained in the [U.S.] study would result in significantly different conclusions were a similar survey conducted in cities in Canada" is not persuasive since his statement is based on his knowledge and experience in the marketing research area, not on any specific knowledge of how Canadians and Americans differ in their reactions. ... I am therefore not according any significant weight to [the Opponent's] evidence.

Incidentally, in the U.S. opposition decision re LYNX MASTER, the Trademark Trial and Appeal Board accorded limited weight to [the Opponent's] survey results, after discussing what it considered to be a number of shortcomings in the way that the survey was conducted...

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Decision:

I am therefore dismissing the s. 30(e) grounds of opposition on the basis that the Opponent has not met its initial burden in respect thereof.