

Federal Court



Cour fédérale

Date: 20151204

**Dockets: T-2448-14
T-2449-14**

Citation: 2015 FC 1345

Ottawa, Ontario, December 4, 2015

PRESENT: The Honourable Mr. Justice Camp

BETWEEN:

U-HAUL INTERNATIONAL INC.

Applicant

and

U BOX IT INC.

Respondent

JUDGMENT AND REASONS

I. OVERVIEW

[1] U-Haul International Inc. (the Applicant) appeals from two decisions of a member of the Trade-marks Opposition Board (the Board) pursuant to section 56 of the *Trade-marks Act*, RSC 1985, c T-13 [the *Act*].

[2] In the decisions under appeal, both dated September 26, 2014, and indexed as 2014 TMOB 208 and 2014 TMOB 207, the Board refused registration of applications No. 1,455,472 and No. 1,455,468, for the trade-marks U-BOX WE-HAUL and U-BOX, for use in association with “moving and storage services, namely, rental moving, storage, delivery and pick up of portable storage units.”

[3] The Board found that there was a reasonable likelihood of confusion between the Applicant’s impugned trade-marks and the U BOX IT trade-mark registered by the opponent, U Box It Inc. (the Respondent), for use in association with “garbage removal and waste management services.”

[4] On October 15, 2009, the Applicant had filed applications to register the trade-marks U-BOX and U-BOX WE-HAUL with the Registrar of Trade-Marks (the Registrar). The applications were based on use of the trade-marks in Canada since at least as early as October 3, 2009, as well as use and registration of the trade-marks in the United States.

[5] On August 31, 2010, and November 15, 2010, the Respondent filed Statements of Opposition to the U-BOX and U-BOX WE-HAUL trade-mark applications. The Respondent opposed the applications on three grounds, pursuant to subsection 38(2) of the *Act*:

1. the trade-marks are not registrable under paragraph 12(1)(d) of the *Act* (paragraph 38(2)(b));

2. the Applicant is not the person entitled to registration of the trade-marks under paragraph 16(1)(a) of the *Act* (paragraph 38(2)(c)); and
3. the trade-marks are not distinctive under section 2 of the *Act* (paragraph 38(2)(d)).

[6] Each of these grounds of opposition was based on a likelihood of confusion between the U-BOX and U-BOX WE-HAUL applied-for trade-marks of the Applicant and the U BOX IT trade-mark of the Respondent. The Applicant denied all of the opposition grounds, and filed a counter statement in respect of the U-BOX WE-HAUL trade-mark on March 23, 2011, and a counter statement in respect of the U-BOX trade-mark on October 14, 2011. The opposition proceedings were held jointly.

[7] As stated in paragraph 2 above, the Board refused the applications for the U-BOX and U-BOX WE-HAUL trade-marks in accordance with the Board's authority under subsection 38(8) of the *Act*, finding in favour of the Respondent on all three opposition grounds.

[8] The trade-marks at issue are word marks. It is nonetheless helpful to compare evidence of use of the parties' respective marks by looking at photographs of the parties' services.



II. DECISIONS UNDER APPEAL

[9] The parties agreed at the hearing of this appeal that it would be appropriate to deal with both appeals in one decision. It is therefore convenient to summarize the decisions together. At the outset, the Board set out the respective onuses on each party, noting the Respondent bore the initial evidentiary burden of adducing sufficient admissible evidence that could reasonably support each ground of opposition: *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 at 298 (FCTD). Provided this burden was met, the onus shifted to the Applicant to establish on a balance of probabilities that its applications comply with the requirements of the *Act*. In the present case, given the grounds of opposition at issue, the Applicant was required to convince the Board that there was no reasonable likelihood of confusion between its U-BOX and U-BOX WE-HAUL trade-marks, and the Respondent's U BOX IT trade-mark.

[10] The Board identified the dates material to each of the three grounds of opposition. With respect to the issue of whether the Applicant's trade-marks were registrable under paragraph 12(1)(d), the Board determined that the material date was the date of its decisions, September 26, 2014, citing *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA). On the issue of whether the Applicant was the person entitled to registration of the trade-marks under paragraph 16(1)(a), the Board identified the material date as October 3, 2009, the first date of use of the impugned trade-marks by the Applicant. Finally, regarding the issue of distinctiveness under section 2, the Board identified the material dates as the filing dates of the Statements of Opposition, namely August 31, 2010, for the U-BOX opposition, and November 15, 2010, for the U-BOX WE-HAUL opposition. At each of these material dates, the

Board concluded there was a reasonable likelihood of confusion. In so finding, the Board set out the test for confusion, citing subsections 6(2) and (5) of the *Act*, which provide:

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 sont 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.

...

[...]

(5) In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including

(5) En décidant si des marques de commerce ou des noms commerciaux créent de la confusion, le tribunal ou le registraire, selon le cas, tient compte de toutes les circonstances de l'espèce, y compris :

(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;

a) le caractère distinctif inhérent des marques de commerce ou noms commerciaux, et la mesure dans laquelle ils sont devenus connus;

(b) the length of time the trade-marks or trade-names have been in use;

b) la période pendant laquelle les marques de commerce ou noms commerciaux ont été en usage;

(c) the nature of the goods, services or business;

c) le genre de produits, services ou entreprises;

(<i>d</i>) the nature of the trade; and	<i>d</i>) la nature du commerce;
(<i>e</i>) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.	<i>e</i>) le degré de ressemblance entre les marques de commerce ou les noms commerciaux dans la présentation ou le son, ou dans les idées qu'ils suggèrent.

[11] The Board noted that the test for confusion is one of first impression and imperfect recollection, and that all of the surrounding circumstances must be considered, including the factors specifically enumerated in subsection 6(5).

[12] The Board was correct in its statements of the law summarized in the previous paragraphs.

[13] The Board then considered the question of confusion. With respect to the inherent distinctiveness of the trade-marks and the extent to which they have become known (paragraph 6(5)(*a*)), the Board noted the parties' trade-marks were of equally weak inherent distinctiveness. The trade-marks of both parties were nevertheless found to have acquired distinctiveness through promotion and use. The Board found that although the Respondent's trade-mark U BOX IT had become known to at least some extent in Canada in association with garbage removal and waste management services, the volume of transactions, the sales figures, as well as the availability and performance of the Applicant's services in association with the U-BOX and U-BOX WE-HAUL trade-marks were considerably more extensive. As a result, the Board concluded that the paragraph 6(5)(*a*) factor favoured the Applicant.

[14] With respect to the length of time the trade-marks have been in use (paragraph 6(5)(b)), the Board found the Respondent's U BOX IT trade-mark had been used since 2006, whereas the earliest evidence of use of the Applicant's U-BOX and U-BOX WE-HAUL trade-marks was from October 2009. The Board thus concluded that the paragraph 6(5)(b) factor favoured the Respondent.

[15] The Board analyzed together the nature of the services (paragraph 6(5)(c)) and the nature of the trade (paragraph 6(5)(d)). The Board noted the assessment of these factors is governed by the statements of services as defined in the Applicant's trade-mark applications and the Respondent's registration. The Board found no similarity or overlap between the Respondent's garbage removal and waste management services and the Applicant's moving and storage services as described in the parties' statements of services. Nonetheless, the Board found similarities in the manner in which the parties' respective services are offered and executed. The Board found:

There are similarities between the manners in which the parties' services are offered. In providing garbage removal services, the Opponent offers to drop-off a flat, ready-to-assemble, disposable container at a location chosen by the customer. Once filled, the Opponent picks up the container upon request, and disposes of the unwanted materials with the container at a waste processing facility, such as a landfill. In comparison, in providing storage and moving services, the Applicant offers to drop-off a pre-built wooden container at a location chosen by the customer. Once filled, the Applicant picks up the container upon request, puts it in a storage facility or ships it to another location for the customer. While the Opponent offers its services under an all-inclusive flat rate for delivery, pick-up and removal, the Applicant offers its services in the form of a rental agreement.

[16] While the Board found that there was no evidence to suggest an average consumer of moving and storage services would necessarily look for companies that offer garbage disposal and waste management services, or vice versa, the Board found it conceivable that the parties' respective target markets could overlap. The Board reasoned that the parties' services could be seen as complementary, as a consumer looking to move and/or store their possessions might also require garbage disposal services for clean-up or renovation projects. In this regard, the Board determined there was a potential for overlap in the parties' channels of trade, although this potential was considered by the Board to be unlikely. The Board noted that no restrictions are contained in the Respondent's registration and the Applicant's trade-mark applications. Thus, upon weighing the above considerations, the Board concluded that the paragraph 6(5)(c) factor "slightly" favoured the Respondent, and that the paragraph 6(5)(d) factor did not particularly favour either party.

[17] With respect to the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them (paragraph 6(5)(e)), the Board noted that this factor is often likely to have the greatest effect on the test for confusion. The Board held:

[49] In the present case, I am of the view that the first component of the Applicant's Mark, "U-BOX", also represents the more important portion of the trade-mark for the purpose of distinction, as neither component of the Mark is particularly striking or unique.

[50] There is necessarily a fair degree of resemblance visually and phonetically between the parties' trade-marks owing to the use of essentially identical terms "U BOX" and "U-BOX" as their respective first components.

[51] There are also some similarities in the ideas suggested as both trade-marks convey the idea of putting items in a container by "you", the customer, albeit for completely different reasons when viewed in association with the registered and applied for services. I note that the Mark also conveys the separate idea of the container

being moved by the “we”, the Applicant. In this regard, *The Canadian Oxford Dictionary* defines the letter “U”, in part, as an informal reference to the pronoun “you” and the word “haul” as to “transport by truck, cart, etc”.

[52] In the end, when the trade-marks are assessed in their entirety, I agree with the Opponent that there are similarities in appearance, sound and in ideas suggested between the parties’ trade-marks owing to the use of the terms “U BOX” and “U-BOX”, as their first portions.

[53] The section 6(5)(e) factor therefore favours the Opponent.

[18] To summarize, the Board applied the s. 6(5) factors as follows:

Inherent distinctiveness of the trade-marks and the extent to which they have become known (paragraph 6(5)(a))	Applicant
Length of time the trade-marks have been in use (paragraph 6(5)(b))	Respondent
Nature of the goods, services, or business (paragraph 6(5)(c))	Respondent (slightly)
Nature of the trade (paragraph 6(5)(d))	Neither
Degree of resemblance (paragraph 6(5)(e))	Respondent

[19] Applying the overall test for confusion, the Board concluded that the average Canadian consumer, when faced with moving and storage services offered and performed under the trade-marks U-BOX or U-BOX WE-HAUL, would likely think they originate from the same source as the garbage removal and waste management services offered and performed under the Respondent’s registered U BOX IT trade-mark, or vice versa. Consequently, the Board was satisfied there was a reasonable likelihood of confusion between the trade-marks.

III. POSITIONS OF THE PARTIES

A. *Applicant*

[20] It is the contention of the Applicant that the parties' respective trade-marks are not confusing. The Applicant submits that the Board failed to appreciate the "incontrovertible truth" that the parties offer completely different services in entirely separate channels of trade. As such, according to the Applicant, the fundamental error of the Board was finding the nature of the services (the paragraph 6(5)(c) factor) favoured the Respondent and the nature of the trade (the paragraph 6(5)(d) factor) favoured neither party. The Applicant seeks to lead new evidence on these appeals to show that no business advertises or provides both garbage removal/waste management services and moving/storage services. The Applicant submits this new evidence would have materially affected the decisions, and proves that the average Canadian consumer would not be confused by the parties' respective trade-marks.

[21] In addition to the primary issues raised above, the Applicant alleges a number of other errors of varying importance and persuasiveness.

B. *Respondent*

[22] The Respondent submits that the Applicant's arguments overlook the centrepiece of the Board's paragraph 6(5)(c) and 6(5)(d) analyses: there are similarities in the manners in which the parties' services are offered. As the Respondent points out, the Board found that both services involve "a large box-shaped container" which is "dropped off for a customer in front of their

home, filled by the customer with objects from that home, and then picked up for removal by the service provider.” The Respondent takes the position that this finding of the Board is undisturbed by a finding that the parties’ services and channels of trade are distinct. It is sufficient that the services are superficially similar, as a casual consumer on first impression would likely confuse the trade-marks even if they are associated with different services. In this regard, the Respondent notes that it is not necessary for the parties to occupy the same general field or industry for confusion to be found, citing *Miss Universe, Inc v Bohna*, [1995] 1 FC 614, [1994] FCJ No 1642 at para 14 (FCA) (QL) [*Miss Universe*].

[23] The Respondent opposes the Applicant leading new evidence, alleging the new evidence is repetitive, of no probative value, and adds nothing of significance. Further, even if the evidence was admitted, the Respondent submits that the overall conclusion would not change, given the dominant role that paragraph 6(5)(e) performs in the overall confusion analysis.

IV. ISSUES

[24] The parties are in basic agreement as to the two issues to be resolved on these appeals:

1. What standard of review applies to the Board’s decisions?
2. Did the Board err in finding a likelihood of confusion between the Applicant’s trade-marks and the Respondent’s trade-mark, contrary to paragraphs 12(1)(d), 16(1)(a), or section 2 of the *Act*?

V. ANALYSIS

A. *What standard of review applies to the Board's decisions?*

(1) Overview

[25] The applicable standard of review is determined by whether the Applicant's new evidence would have materially affected the Board's findings of fact or exercise of discretion. If it would have done so, the Court must conduct a *de novo* analysis to determine whether the Applicant has met its burden to show there is no likelihood of confusion in respect of each of the opposition grounds, having regard to both the evidence before the Board and the new and original evidence adduced on appeal. As Justice de Montigny put it in *Hayabusa Fightwear Inc v Suzuki Motor Corporation*, 2014 FC 784 at para 25 [*Hayabusa*]:

... Because of his expertise, the decisions of the Registrar are entitled to some deference and should not be set aside lightly. When additional evidence of probative significance is presented, however, the Court is entitled to come to its own decision and to substitute its opinion for that of the Registrar.

[26] If, on the other hand, the new evidence would not have materially affected the Board's findings, the Court is tasked with determining whether the Board's decisions refusing the Applicant's trade-mark applications are reasonable. The Board is assumed to have expertise on the question of confusion and judicial deference is accordingly owed: *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 36 [*Mattel*]. Resultantly, under the reasonableness standard, the decisions of the Board need only be justified, transparent, and intelligible, and fall "within a

range of possible, acceptable outcomes which are defensible in respect of the facts and law”:

Dunsmuir v New Brunswick, 2008 SCC 9 at para 47.

(2) Would the new evidence have materially affected the decisions?

[27] The introduction of new evidence on appeal from a decision of the Registrar is permitted under subsection 56(5) of the *Act*, which reads:

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

[28] The effect, however, of such new evidence, is governed by the case law. The following guiding principles emerge from the jurisprudence:

- a. The Court must consider the extent to which the additional evidence has a probative significance that extends beyond the material that was before the Board: *Loro Piana SPA v Canadian Council of Professional Engineers*, 2009 FC 1096 at para 15 [*Loro Piana SPA*]; *Guido Berlucchi & C Srl's v Brouillette Kosie Prince*, 2007 FC 245 at para 25 [*Guido Berlucchi*].
- b. The test is one of quality, not quantity: *Loro Piana SPA* at para 29, citing *Canadian Council of Professional Engineers v APA - Engineered Wood Assn*, [2000] FCJ No 1027 at para 36 (QL) (TD).
- c. The new evidence must not be merely repetitive of the existing evidence. Rather, it must add something of significance and enhance the cogency of the evidence: *Guido*

Berlucchi, at para 25; *Gemological Institute of America v Gemology Headquarters International*, 2014 FC 1153 at para 25.

[29] The Applicant submits that the new evidence which it enters demonstrates that the nature of the parties' respective services are distinct and in completely separate channels of trade. The new evidence consists of random samples from the Yellow Pages, sourced from a number of Canadian cities and regions, with dates ranging from 2008-2014. The samples are advertisements included in categories related to moving and storage, and garbage removal and waste management. According to the Applicant, no company advertises in both categories, and no company offers both moving and storage services and garbage removal and waste management services. The Applicant submits that this new evidence demonstrates that these services are not complementary to an overlapping segment of the parties' respective target markets, contrary to the finding of the Board. Moreover, with this evidence, the Applicant asks the Court to infer that Canadian consumers would know that each of the parties' services are different, and would not expect the same provider to offer both services.

[30] The Respondent submits that the new evidence is incapable of materially affecting the decisions of the Board, as it would not have changed the Board's paragraph 6(5)(c) or (d) analyses, let alone its confusion analysis generally. It is the Respondent's position that the Applicant has proffered this new evidence solely for the purpose of justifying a *de novo* review of the Board's decision, thereby rendering the role of the Board/Registrar irrelevant to the determination of the Applicant's trade-mark applications. The Respondent also questions how the proffered material constitutes "new" evidence. According to the Respondent, the new

evidence is repetitive and “of essentially the same nature” as other evidence before the Board. The Respondent also quarrels with the reliability of the evidence, noting that no basis is set out for the selection criteria of the various cities and regions or the differing years for each city or region. More generally, the Respondent contends that this evidence merely confirms findings of the Board already decided in favour of the Applicant. The Respondent notes that the Board already found that overlap in the parties’ channels of trade was unlikely, and that there was no evidence to suggest an average consumer of moving and storage services would necessarily look for companies that offer garbage removal and waste management services, or vice versa.

(3) Decision regarding effect of the new evidence

[31] Although the Board recognized that moving and storage is distinct from garbage removal and waste management, it found the particular manner in which these services are offered by the parties to be similar in nature and thus weighing slightly in favour of confusion. This paragraph 6(5)(c) conclusion, and the findings of fact upon which the Board based this conclusion, are undisturbed by the new evidence adduced by the Applicant.

[32] The new evidence relates to the nature of the trade (paragraph 6(5)(d)). The Board found this factor did not particularly favour either party, and disclosed the following reasons for this conclusion:

There is no evidence to suggest that an average consumer of moving and storage would necessary [sic] look for companies that offer specialised garbage disposal services and waste management services, or vice versa.

...

However, it is conceivable that consumers looking to move and/or to store their possessions might also be involved in clean-up or renovation projects that would require large volume garbage disposal services.

...

Thus, both parties' services could be seen as complementary to an overlapping segment of their respective target markets.

...

In view of the connection that exists between the parties' services and the fact that the [Respondent]'s registration and the application for the [Applicant's trade-marks] do not contain any restrictions, there is potential for overlap in the parties' channels of trade.

...

However, such overlap appears to be unlikely as the evidence shows that the Applicant's services are only made available by contacting U-HAUL by phone, via the U-HAUL website or at the U-HAUL service locations.

[33] The Applicant seeks to adduce the new evidence for the purpose of demonstrating that no provider of moving and storage services also advertises (or provides) garbage removal and waste management services, thereby leading to the inference that the parties occupy different channels of trade. However, the Board appears to have been alive to this fact, given its conclusion that the potential for overlap in the parties' channels of trade was "unlikely". Moreover, whether the parties' services are exclusively advertised/offered by different businesses is a distinct consideration from whether the services could be seen as complementary to an overlapping segment of the parties' respective target markets.

[34] I am thus in agreement with the Respondent that this new evidence does not affect the above chain of reasoning of the Board or the findings of fact therein, particularly given the

Board's tacit recognition that the parties' channels of trade are basically distinct. Consequently, the new evidence has insufficient probative significance to justify a *de novo* review of the decisions.

B. *Did the Board err in finding a reasonable likelihood of confusion?*

(1) Primary Errors: paragraphs 6(5)(c) and 6(5)(d)

[35] Paragraphs (c) and (d) of the subsection 6(5) confusion test are at the centre of these appeals.

[36] Guidance is to be gleaned from the following jurisprudence:

1. *Hayabusa*, at paras 40-41:

[40] A trade-mark is meant to signal, in the mind of an average consumer, an association between a product and its source. Pursuant to subsection 6(2) of the *Act*, the use of a trade-mark will cause 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 wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class".

[41] The perspective from which the likelihood of a mistaken inference is to be measured is that of the mythical customer, often described as the "ordinary hurried purchaser": *Mattel Inc. v 3894207 Canada Inc.*, 2006 SCC 22 at para 56, [2006] 1 SCR 772. Stated differently, the test for confusion is a matter of first impression in the mind of a casual consumer somewhat in a hurry, who does not pause to give the matter any detailed consideration or scrutiny: *Veuve Clicquot Ponsardin Maison Fondée en 1772 v Boutiques Clicquot Ltée.*, 2006 SCC 23 at para 20, [2006] 1 RCS 824.

2. *Mövenpick Holding AG v Exxon Mobil Corp*, 2011 FC 1397 at paras 33, 38-40:

[33] The goal of the *Trade-marks Act* is to prevent confusion in the marketplace. The Supreme Court has reminded us that “the legal purpose of trade-marks continues (in terms of s. 2 of the *Trade-marks Act*, R.S.C. 1985, c. T-13) to be their use by the owner “to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others”. It is a guarantee of origin and inferentially, an assurance to the consumer that the quality will be what he or she has come to associate with a particular trade-mark...” (*Mattel*, above, per Binnie J. at para 2).

...

[38] The following paragraph in *Masterpiece* served as the basis for the opening paragraph in this set of reasons:

[41] In this case, the question is whether, as a matter of first impression, the “casual consumer somewhat in a hurry” who sees the Alavida trade-mark, when that consumer has no more than an imperfect recollection of any one of the Masterpiece Inc. trade-marks or trade-name, would be likely to be confused; that is, that this consumer would be likely to think that Alavida was the same source of retirement residence services as Masterpiece Inc.

[39] Some caution must be exercised in drawing upon *Veuve Clicquot*, *Mattel* and *Masterpiece*. The first two dealt with what can only be called famous trade-marks. Neither Esso nor Mövenpick suggests that “Marché Express” and “Marché” are as famous as *Veuve Clicquot* champagne or Barbie Dolls. In *Masterpiece*, an expungement action, the confusion was between an unregistered trade-mark which had been in use and a mark subsequently registered on the basis of proposed use. In other words, the analysis was under section 16 of the Act, not section 12.

[40] Nevertheless, the test for confusion, no matter the form of the dispute, is set out in section 6 of the Act. It is important to bear in mind that the wares and services need not be of the same general class.

3. *Miss Universe*, at para 14:

14 For a likelihood of confusion to be found, it is not necessary that the parties operate in the same general field or

industry, or that the services be of the same type or quality. Trade-marks for wares and services of one quality intended for one class of purchasers may be confusing with trade-marks for wares and services of a different type or quality, intended for a different class of purchasers.

[37] It is the overall contention of the Applicant that the parties offer completely different services, and do so exclusively. It is submitted that garbage removal and waste management are the “exact opposite” of moving and storage, and in different channels of trade, and thus the Board erred by not deciding the paragraph 6(5)(c) and 6(5)(d) factors in favour of the Applicant. The Applicant takes particular umbrage with the Board’s reasoning that the parties’ services could be seen as complementary and that there was potential for overlap in their respective channels of trade. The Applicant relies on *Bridgestone Corporation v Campagnolo SRL*, 2014 FC 37 and *Hayabusa*.

[38] In response, with respect to paragraph 6(5)(c), the Respondent contends that similarities between the way the services appear to a casual consumer may result in confusion, even if the services are factually distinct and intended for a different class of purchasers. With respect to paragraph 6(5)(d), the Respondent submits that the Applicant’s arguments ignore the other considerations which informed the Board’s conclusion that the nature of the trade favoured neither party. The Board recognized that there was no evidence an average consumer of one of the party’s services would necessarily look for the other party’s services, and further concluded that the potential for overlap in the parties’ respective channel of trade was “unlikely”. The Respondent concedes that these considerations weigh in favour of the Applicant. However, the Respondent submits that the Board also based its paragraph 6(5)(d) conclusion on the connection between the parties’ services and the fact that the Respondent’s registration and the Applicant’s

applications did not contain any restrictions – considerations which weigh in favour of the Respondent. As such, the Respondent submits the Board's paragraph 6(5)(d) conclusion cannot be said to be unreasonable.

[39] I am in agreement with the Respondent that the Board's paragraph 6(5)(c) analysis was based on the similar manner in which the services are provided, and not on any finding that the services were in fact the same. One might quarrel with the conclusion of the Board that the paragraph 6(5)(d) factor did not particularly favour either party, as the Board itself recognized that the potential for overlap in the parties' channels of trade was unlikely. However, one must be mindful of the caution expressed by Justice Evans in *Canada Post Corp v Public Service Alliance of Canada*, 2010 FCA 56, cited here in *Newfoundland and Labrador Nurses' Union v Newfoundland and Labrador (Treasury Board)*, 2011 SCC 62:

[18] Evans J.A. in *Canada Post Corp. v. Public Service Alliance of Canada*, 2010 FCA 56, [2011] 2 F.C.R. 221, explained in reasons upheld by this Court (2011 SCC 57) that *Dunsmuir* seeks to "avoid an unduly formalistic approach to judicial review" (para. 164). He notes that "perfection is not the standard" and suggests that reviewing courts should ask whether "when read in light of the evidence before it and the nature of its statutory task, the Tribunal's reasons adequately explain the bases of its decision" (para. 163). I found the description by the Respondents in their Factum particularly helpful in explaining the nature of the exercise:

When reviewing a decision of an administrative body on the reasonableness standard, the guiding principle is deference. Reasons are not to be reviewed in a vacuum - the result is to be looked at in the context of the evidence, the parties' submissions and the process. Reasons do not have to be perfect. They do not have to be comprehensive. [para. 44]

[40] Given the other considerations which informed the Board's paragraph 6(5)(d) analysis, the Board's conclusion on paragraph 6(5)(d) is defensible within the reasonableness standard of review. This finding is reinforced by authority such as that in *Mattel*:

36 The determination of the likelihood of confusion requires an expertise that is possessed by the Board (which performs such assessments day in and day out) in greater measure than is typical of judges. This calls for some judicial deference to the Board's determination, as this Court stressed in *Benson & Hedges (Canada) Ltd. v. St. Regis Tobacco Corp.*, [1969] S.C.R. 192, at p. 200:

In my view the Registrar's decision on the question of whether or not a trade mark is confusing should be given great weight and the conclusion of an official whose daily task involves the reaching of conclusions on this and kindred matters under the Act should not be set aside lightly but, as was said by Mr. Justice Thorson, then President of the Exchequer Court, in *Freed and Freed Limited v. The Registrar of Trade Marks et al.*: [[1951] 2 D.L.R. 7, at p. 13]:

...reliance on the Registrar's decision that two marks are confusingly similar must not go to the extent of relieving the judge hearing an appeal from the Registrar's decision of the responsibility of determining the issue with due regard to the circumstances of the case.

37 What this means in practice is that the decision of the registrar or Board "should not be set aside lightly considering the expertise of those who regularly make such determinations": *McDonald's Corp. v. Silcorp Ltd.* (1989), 24 C.P.R. (3d) 207 (F.C.T.D.), at p. 210, aff'd (1992), 41 C.P.R. (3d) 67 (F.C.A.). ...

[41] It was argued for the Applicant that the Board's findings contained internal contradictions and used loose language. For example, it was pointed out that the Board found first that there were no similarity or overlap between the [Respondent's] garbage removal and waste

management services and the Applicant's moving and storage services; and then stated that "...[i]t is conceivable that consumers looking to move and/or to store their possessions might also be involved in cleanup or renovation projects that would require large volumes of garbage disposal services. Thus, both party services could be seen as complementary to an overlapping segment of their respective target markets." The second excerpt, however, is not so much a contradiction, as a qualification. As a matter of common sense, it cannot be argued with. The first excerpt was also preceded by the phrase "[b]ased on a review of the parties' statements of services". Thus, on paper, the parties' services share no similarities, but in practice, similarities arise. Moreover, as pointed out above, the case law contains several admonitions to the effect that "perfection is not the standard"; that a court must "avoid an unduly formalistic approach to judicial review"; and that "[r]easons do not have to be perfect": *Public Service Alliance of Canada v Canada Post Corporation*, 2010 FCA 56 at paras 163-164; *Newfoundland and Labrador Nurses' Union v Newfoundland and Labrador (Treasury Board)*, 2011 SCC 62 at para 18.

[42] In light of the immediately foregoing cited principles, I am not moved by the Applicant's arguments that the Board's ultimate finding is rendered unreasonable for using phrases like "it is conceivable" in the segment of the Board's decision quoted above, when the *Act* requires a higher standard of a likelihood of confusion. The point made by the Board, that a certain matter was conceivable as distinct from likely, when read as part of all the other issues regarding potential confusion that the Board took into account, does not destroy the reasonableness of the whole.

(2) Other Errors

[43] In addition to the primary issues above, the Applicant alleges a number of other errors: (1) the Board failed to consider that small differences will serve to distinguish two trademarks which have low inherent distinctiveness (paragraph 6(5)(e)); (2) the Board erred in finding that the U BOX IT trademark had become known in Canada because the Respondent's evidence on acquired distinctiveness was filled with hearsay and was unreliable (paragraph 6(5)(a)); (3) the Board assigned too much weight to the fact that the Respondent's trade-mark was used before the Applicant's trade-marks given the inherent weakness of the Respondent's trade-mark (paragraph 6(5)(b)); (4) the Board assigned too little weight to the fact that the Applicant's trade-marks were better known than the Respondent's trade-mark (paragraph 6(5)(a)); (5) the Board erred in finding that the parties' trademarks were similar in appearance (paragraph 6(5)(e)); and (6) the Board failed to consider the surrounding circumstances including that U-Haul services can only be acquired from U-Haul facilities as well as the notoriety of the U-Haul brand.

[44] It is convenient to deal with these other issues raised by the Applicant under their corresponding components in the confusion analysis.

[45] Turning first to distinctiveness (paragraph 6(5)(a)), the Applicant submits that the Board assigned too little weight to the acquired distinctiveness of the Applicant's trade-marks relative to the Respondent's trade-mark, and erred in accepting the Respondent's unreliable and non-credible evidence on acquired distinctiveness. In response, the Respondent points out that the Board already decided the issue of distinctiveness in the Applicant's favour. The Board accepted

that the Applicant's trade-marks had acquired more distinctiveness than the Respondent's trade-mark, finding the volume of transactions, the sales figures, as well as the availability and performance of the Applicant's services to be "considerably more extensive" (para 38 of both decisions). The Board also acknowledged the hearsay issues with respect to portions of the Respondent's evidence, but was nevertheless able to conclude, at para 28 of both decisions, that the Respondent's trade-mark had "become known to at least some extent in Canada in association with garbage removal and waste management services." In my view, these conclusions were not unreasonable. In addition, when reviewing a decision on the reasonableness standard, I note that it is not the Court's role to reweigh the evidence that was before the Board: *Wrangler Apparel Corp v Timberland Co*, 2005 FC 722 at para 40; *London Drugs Ltd v International Clothiers Inc*, 2014 FC 223 at paras 52-53. The Applicant's arguments on acquired distinctiveness thus fail to persuade.

[46] With respect to the length of time the trade-marks have been in use (paragraph 6(5)(b)), the Applicant submits that the Board assigned too much weight to the fact that the use of the Respondent's trade-mark predated the use of the Applicant's trade-marks, particularly given the inherent weakness of the former. Again, for the same reasons as above, it is not the role of the Court to reweigh the evidence on a reasonableness review. The fact that the Respondent's use predated that of the Applicant was one factor that the Board took into consideration in its overall confusion analysis. For the Court to speculate on the particular weight assigned to this factor, and substitute its own weighing of the evidence, is beyond the scope of the applicable standard of review. In my opinion, the Applicant's argument on paragraph 6(5)(b) similarly fails to persuade.

[47] With respect to the degree of resemblance of the trade-marks (paragraph 6(5)(e)), the Applicant submits that the Board erred in law by failing to recognize that small differences will serve to distinguish two trade-marks with low inherent distinctiveness. It is submitted that the Board ignored these small differences and placed too much emphasis on the phrase “U BOX”. In support of its position, the Applicant cites *Budget Blind Service Ltd v Budget Blinds, Inc.*, 2007 FC 801 [*Budget Blind Service Ltd*], where this Court found no confusion between “Budget Blinds” on the one hand, and the marks “Budget Blind Services” or “Budget Blind Cleaning” on the other. In response, the Respondent submits that the most distinctive part of its mark is the first two words, “U BOX”, which is identical to the Applicant’s mark. The Respondent notes that the Board found a high degree of resemblance visually and phonetically between the trade-marks, and also strong similarities in the ideas suggested – both suggest that the customer, or “U” (an informal pronoun for “you”), put items into a box. In my view, even if weak, the parties’ trade-marks have more inherent distinctiveness than those at issue in *Budget Blind Service Ltd*, rendering the facts of that case distinguishable from the case at bar. I agree with the Respondent that the Board’s finding of resemblance between the trade-marks was not unreasonable.

[48] The Applicant has pointed to cases where marks with some resemblance to each other were permitted. There are of course other cases where the Board found that the degree of resemblance would cause confusion, and disallowed the offending mark. These decisions often rested on delicate subtle considerations. So, while precedent is instructive, caution must be exercised in its application. A judge is not a rubberstamp; but the judge’s task on appeal is to test the Board’s finding on the basis of the evidence, looked at through the prism of the applicable standard of review – always remembering that the Board is a specialized tribunal; that it is

entitled to deference; and that as long as its finding is transparent and justified and intelligible, and falls within the range of reasonable outcomes, to leave it undisturbed.

[49] Finally, with respect to the surrounding circumstances beyond the factors specifically enumerated in subsection 6(5), the Applicant contends that the Board failed to appreciate two important aspects of the evidence. The first is U-Haul's notoriety. The second is the fact that U-Haul services can only be acquired from U-Haul facilities. The Respondent submits that the Board considered U-Haul's notoriety in its paragraph 6(5)(a) analysis.

[50] In regard to the fact that U-Haul services can only be acquired from a U-Haul facility: that may be well known with regard to U-Haul. It is not clear that it is well known with respect to U-BOX WE-HAUL or U-BOX. In any event, it strikes at the source of the product, and has little to do with whether the average consumer, seeing a container on a driveway, might be confused about its provenance.

VI. CONCLUSION

[51] The Board is entitled to deference. The conclusion appealed against is within the range of reasonable outcomes. The applicant has not overcome the onus it bears.

[52] Counsel for the parties agreed that cost would follow the event.

JUDGMENT

THIS COURT'S JUDGMENT is that the application for review is dismissed. The Applicant is to pay the Respondent's costs.

"Robin Camp"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

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