

Federal Court



Cour fédérale

Date: 20160922

Docket: T-866-15

Citation: 2016 FC 1075

Toronto, Ontario, September 22, 2016

PRESENT: The Honourable Mr. Justice O'Reilly

BETWEEN:

**TIMES GROUP CORPORATION &
TIMES DEVELOPMENTS INC.**

Applicants

and

**TIME DEVELOPMENT GROUP INC. &
TIME DEVELOPMENT INC.**

Respondents

JUDGMENT AND REASONS

I. Overview

[1] Since the mid-1980s, the applicants, Times Group Corporation and Times Developments Inc. (collectively, Times), have carried on business as property developers and managers, mainly in the Greater Toronto Area (GTA). Times' principal target market is the Chinese Canadian community. Times has used the trade-names TIMES GROUP CORPORATION and TIMES

DEVELOPMENTS INC in the course of its business activities. It registered the trade-mark TIMES GROUP CORPORATION in 2014.

[2] Times contends that the respondents, Time Development Group Inc. and Time Development Inc. (collectively, TDG) are infringing Times' trade-names and mark. TDG also conducts business in property development and management in the GTA, and similarly targets the Chinese Canadian community. TDG uses the trade name TIME DEVELOPMENT GROUP. TDG says that when it incorporated as Time Development Inc. in 2008, it searched for similar corporate names and did not find Times.

[3] Times asks me to declare that TDG has infringed its mark and to order TDG to cease doing so.

[4] The main issue in this case is whether TDG's use of the trade name TIME DEVELOPMENT GROUP likely leads to confusion. If so, Times is entitled to the relief it has requested.

[5] I am satisfied that Times is entitled to the exclusive use of its registered mark TIMES GROUP CORPORATION, and that there is likely confusion between Times's mark and TDG's trade name TIME DEVELOPMENT GROUP. Therefore, I will grant the declaration and the injunction Times seeks.

II. Does TDG's use of the trade name TIME DEVELOPMENT GROUP lead to actual or potential confusion with Times' registered trade-mark TIMES GROUP CORPORATION?

[6] As mentioned, the issue at the heart of this case is confusion.

[7] First, TGD asserts that Times is not entitled to enforce its trade-mark because the mark is associated with two sources: Times Group Corporation and Times Developments Inc. According to TGD, Times cannot maintain that there is a risk of source confusion as between Times' mark and TGD's trade-name given that more than one company already uses Times' mark. In effect, says TGD, Times' mark is simply not distinctive.

[8] Second, TDG argues that, to the extent there is any confusion between its trade-name and Times' trade-mark, Times was not entitled to register that mark since TDG used its name first.

[9] Third, TDG disputes Times' assertion that there is a reasonable likelihood of confusion. TDG contends that, without proof of confusion, Times cannot succeed on its arguments that TDG has infringed Times' trade-mark or that TDG is guilty of passing off (under ss 20(1)(a) and 7(b) respectively of the *Trade-marks Act*, RSC 1985, c T-13; see Annex for provisions cited).

[10] Accordingly, the various elements of the dispute between the parties can essentially be compiled into an inquiry on the question of confusion. I am satisfied that Times was entitled to register and enforce its mark. Further, I am persuaded that TDG has infringed Times' mark by using a confusingly similar trade-name. Given my conclusion on that point, I need not deal with the issue of passing off.

[11] TDG's first argument is that Times' mark lacks distinctiveness because it is used by both applicants without evidence that the two companies are related or have a licensing arrangement. Therefore, TDG says that Times' trade-mark is not associated with a single source, which creates a risk of source confusion even without TDG's presence in the market. In addition, TDG contends that the use of the mark by one applicant does not enure to the benefit of the other. Accordingly, TDG maintains that Times simply cannot claim a likelihood of source confusion.

[12] In support of this position, TDG refers to *United Artists Corp v Pink Panther Beauty Corp* (1998), 80 CPR (3d) 247 at para 21 (FCA). However, that case does not support TDG's argument. Justice Allen Linden merely emphasized that a trade-mark is meant to distinguish one person's wares or services from others; he said nothing about the situation where two entities have allegedly used the same mark. Further, Times does not assert that use of the mark by Times Group Corporation enures to the benefit of Times Developments Inc. or *vice versa*. Therefore, TDG's reliance on the absence of a licensing arrangement between the two applicants does not address a question in issue here. Finally, I have no evidence before me showing that both applicants have used the registered mark. Accordingly, TDG's argument is unsupported by the evidence relating to use (see para 28 below).

[13] With respect to TDG's second argument, TDG points to Times' trade-mark application in which Times asserted that it began using its mark in 2011. TDG began using its trade-name in 2008. TDG says that its prior use of an allegedly confusing trade-name should have disentitled Times from registering its mark. This is incorrect. It is the use of a trade-mark that confers on the owner the rights to that mark, including the exclusive right to use that mark and to register it.

(*Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 35-36; *Trade-marks Act*, s 16).

The evidence set out below shows that Times has used its trade-names and mark at least since 2006: this is both before TDG began using its trade-name and well before Times' registration of its mark in 2014. Therefore, in my view, Times clearly had the right to register its mark and to acquire the exclusive right to use it; the real question is whether TDG should be prevented from using its trade-names on grounds of confusion.

[14] That brings me to TDG's third argument that Times has not established that TDG's trade-names are confusing. The parties agree that to decide the issue of confusion, one should consider the first impression of the somewhat hurried, casual consumer who has an imperfect recollection of the marks or names in issue. One should then ask whether that hypothetical person would, without giving the matter detailed consideration, likely think that the goods associated with those marks have a common source. If so, confusion has been made out. (*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 at para 20; *Masterpiece*, above, at para 41).

[15] To determine whether there is confusion, I must consider all of the surrounding circumstances, including the specific factors set out in s 6(5) of the Act. I am guided by Justice Marshall Rothstein's interpretation of those factors in *Masterpiece*. *Masterpiece* involved a trade-mark dispute that, in many respects, resembles the disagreement between Times and TDG.

A. *Degree of Resemblance*

[16] Degree of resemblance is the most important factor: the other factors play a role only after the marks have been found to be identical or very similar (*Masterpiece*, at para 49).

[17] There is obviously a strong degree of resemblance between Times' mark (TIMES GROUP CORPORATION) and TDG's trade-name (TIME DEVELOPMENT GROUP). The word "Time" or "Times" is the first and most important element in both. There is nothing particularly striking or unique about these words (*Masterpiece*, at paras 63, 64).

[18] TDG asserts that the dominant word "Time" or "Times" does not even distinguish the parties from other entities involved in the same trade. TDG points to numerous other companies that use the word "Time" or "Times" in the property business; these include registered marks such as "First Time Program", "Timeless", "New Times Square", *etc.*, as well as unregistered marks and names, including "Times Realty Group Inc", "Time Real Estate Ltd", "Times Property Management", "Lifetime Developments", and "Real Time Contracting Group Inc".

[19] However, these marks and names bear less similarity to the parties' identifiers than the latter do to one another. The most similar are "Times Realty Group Inc" and "Time Real Estate Ltd", but these trade-names suggest the business of property sales alone, not the development, building, and marketing of multiple-unit residential dwellings and projects, the enterprise in which Times and TDG are both involved.

[20] In effect, as in *Masterpiece*, the parties both rely on the dominant word in their mark and name – “Time” or “Times” – to distinguish themselves from others occupying the same field. Nothing in the other ordinary words they use – “development”, “group”, and “corporation” – is capable of serving that purpose. And clearly, the dominant words in issue are nearly identical.

[21] The parties present their respective mark and name in different formats, but this is of little relevance. Times uses the following mark:



[22] TDG presents its trade name as follows:



[23] These different presentations might help distinguish Times’ mark from TDG’s name, but the owner of a trade-mark consisting of words is entitled to exclude others from using the same or confusingly-similar words in any form, not just the form the owner has adopted (*Masterpiece*, at paras 55, 61). Accordingly, one must look at the words themselves, not their get-up, in assessing the degree of resemblance between Times’ marks and TDG’s name.

[24] In that light, I find that Times’ mark clearly bears a strong resemblance to TDG’s name. I must now consider the other factors relevant to the possibility of confusion.

B. *Distinctiveness*

[25] Both parties use common, everyday words – “time”, “times”, “development”, and “group” – to identify their businesses. These kinds of words obviously lack inherent distinctiveness, which augments the possibility of confusion. On the other hand, trade-marks consisting of ordinary descriptors generally attract a low level of legal protection as otherwise a company could acquire a monopoly over everyday terms (*General Motors Corp v Bellows*, [1949] SCR 678 at 691).

C. *Duration of Use*

[26] Duration of use can help support an argument that a mark has acquired distinctiveness over time even though the words it contains may not be inherently distinctive.

[27] The word “use” has a specific meaning in the trade-mark context. To amount to use in association with wares, a mark must appear on the wares themselves, or on their packaging, or otherwise be “so associated with the wares that notice of the association is then given to the person to whom” they are transferred (s 4).

[28] Times claims to have used its trade-names and registered mark for over 30 years; however, it has provided little evidence to support this claim:

- Articles of incorporation for Times Developments Inc. (1986) and for The Times Group Investment Corporation (1995, changing its name to Times Group Corporation in 2000);

- A list of 27 residential property projects it has built between 1985 and the present;
- A 2013 website design proposal for Times Group Corporation;
- A 2013 list of marketing expenses for certain property developments;
- A 2006 advertisement for a property called “500 Sherbourne” that includes the trade-name “Times Group Corporation”;
- A 2013 magazine article in which “Times Group Corp” is mentioned as the winner of the High-Rise Green Builder of the Year, and the article includes a rendering of a property called “Uptown Markham” by “Times Group”;
- A 2011 Globe & Mail article about the Uptown Markham property built by “Times Group Corp.”;
- An undated magazine article about Uptown Markham by Times Group Corporation for occupancy in late 2013;
- A 2012 magazine article about “Times Group Corp.” in which the author mentions that the company was founded almost 30 years previously; the article is accompanied by an advertisement for a property called “River Park” that includes the “Times Group Corporation” trade-name;
- A 2011 Toronto Star article about Uptown Markham built by “Times Group Corp”;
- A 2011 Chinese language article about Uptown Markham that includes the website www.timesgroupcorp.com;
- A 2015 photograph of a sign for a property called “The Majestic Court” that includes the “Times Group Corporation” mark;

- Copies of various certificates indicating that Times Group Corporation was a member of the Building Industry and Development Association (since 2012), that it was a winner of the High-Rise Green Builder of the Year Award (2013), that its principal, Mr. Saeid Aghaei, received an award from Ethnic Press Council of Canada Inc. (2002), that it was a member of the Greater Toronto Home Builders' Association (since 2004), that a division of "Times Group" called "Life Construction Inc" received an award of excellence (2005), that it received a design award from the City of Markham (2006), that it donated \$500,000 to the Markham Stouffville Hospital (undated), and that it was the signature sponsor of a fund-raising gala for the Unionville Home Society (undated).

[29] Some of this evidence meets the definition of use for trade-mark purposes because it shows Times' trade-name or mark in association with its wares. For example, the magazine articles reflect that the developments under discussion emanated from Times: the authors recognized that Times was the source of those properties, and disseminated that information to the public. More particularly, the advertisements showing Times' properties in association with its trade-name or mark clearly link Times with its wares.

[30] However, Times' evidence does not establish use for the duration it claims. The earliest evidence of use before me, the advertisement for the "500 Sherbourne" property, dates to 2006. The list Times provided tells me that it had been building properties long before then, but that evidence does not help establish that it was using its trade-names or mark in association with those developments.

[31] The remaining evidence Times has provided simply does not show use in the relevant sense. At best, it serves to identify that Times is a recognized builder of residential homes, but it does not establish the connection between Times and specific properties.

[32] In contrast, TDG has used its trade name since 2008, mainly in Saskatchewan, before it started operating in the GTA in 2013. TDG has marketed itself extensively under its trade-names on its website, print advertising, and other promotional materials. This evidence establishes that TDG has used its trade-names in association with its properties only since 2008.

[33] On this evidence, I am satisfied that Times' use of its mark pre-dates TDG's use of its trade-name. However, since Times's evidence of use dates only from 2006, I am not satisfied that the mark acquired distinctiveness through long use and recognition in the marketplace.

D. *Nature of the Business*

[34] The parties operate similar businesses in the same geographic area, and they target the same clients.

[35] One would expect, though, that the parties' clients – persons seeking to purchase expensive residential properties – would take care to ensure they knew exactly from whom they would be buying. Discerning buyers could be expected to choose vendors carefully and to take note of small differences in their marks. This suggests that a buyer would be unlikely to buy a condo from TDG thinking that it was built by Times. TDG insists there is no evidence that

anyone bought a property from either party believing it was built by the other. TDG points out that “[s]electing and purchasing a home is not like buying a candy bar”.

[36] However, that is not the test for confusion. Even for expensive goods, which may have lower risks of actual confusion, the question is still whether the somewhat rushed, casual consumer’s first impression would likely cause him or her to conclude that the parties’ goods had a common source. Whether serious buyers later conduct further research is irrelevant as it is the first impression that is pertinent. In essence, where the resemblance between the marks or names in issue is strong and the other factors do not point emphatically in the other direction, the likelihood of confusion is not mitigated by the cost of the product in issue (*Masterpiece*, at paras 70-74).

[37] While there is no evidence of actual confusion on the part of purchasers of the parties’ properties, Times submits that some people seem to have confused Times’ projects with those of TDG. However, this information comes in the form of an affidavit sworn by Times’ corporate counsel that refers to statements made to him by Times employees relaying queries from customers and real estate agents about TDG projects. This information does not actually show confusion on the part of those who made the inquiries, and it also amounts to inadmissible double-hearsay evidence.

E. *Other Circumstances*

[38] Times uses the plural form of “Time”; TDG uses the singular. This distinction, however, disappears when the words are translated into Chinese characters for purposes of advertising or other written materials. Accordingly, the risk of confusion rises in the parties’ target markets.

[39] I also note that the parties themselves are confused. In its memorandum, TDG refers to Times Group Corporation as “Times Development Corporation” (para 16). Similarly, Times mistakenly claims in its memorandum that TDG is using the trade-names “Times Development”, “Times Group”, and “Times Development Group” (paras 38, 39, 44).

[40] Overall, I am satisfied that TDG’s use of its trade-names creates a risk of confusion with Times’ registered mark.

III. Conclusion and Disposition

[41] I am satisfied that Times is entitled to the exclusive use of its trade-mark in respect of real estate development, and that its right to that use has been infringed by TDG through its use of confusing trade-names (contrary to s 20(1)(a)). Accordingly, I must grant a declaration in Times’ favour and order that TDG refrain from using those trade-names, with costs to Times.

JUDGMENT

THIS COURT’S JUDGMENT is that:

1. Times has the exclusive right to use its registered mark in association with real estate development.
2. TDG, including its promoters, officers, partners, directors, agents, licensees, employees, and other related parties, shall refrain from using its trade-names and any confusingly similar variants.
3. Times is entitled to its costs.

“James W. O’Reilly”

Judge

ANNEX

*Trade-marks Act, RSC 1985, c T-13**Loi sur les marques de commerce, LRC (1985), ch T-13*

What to be considered

Éléments d'appréciation

6(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

6(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;

(d) the nature of the trade; and

d) la nature du commerce;

(e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

e) 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.

Unfair Competition and Prohibited Marks

Concurrence déloyale et marques interdites

Prohibitions

Interdictions

7. No person shall

7. Nul ne peut :

...

[...]

(b) direct public attention to his goods, services or business in such a way as to cause or be likely to cause confusion in Canada, at the time he commenced so to direct attention to them, between his

b) appeler l'attention du public sur ses produits, ses services ou son entreprise de manière à causer ou à vraisemblablement causer de la confusion au Canada, lorsqu'il a commencé à y appeler ainsi

goods, services or business and the goods, services or business of another;

l'attention, entre ses produits, ses services ou son entreprise et ceux d'un autre;

...

[...]

Infringement

Violation

20. (1) The right of the owner of a registered trade-mark to its exclusive use is deemed to be infringed by any person who is not entitled to its use under this Act and who

20. (1) Le droit du propriétaire d'une marque de commerce déposée à l'emploi exclusif de cette dernière est réputé être violé par une personne qui est non admise à l'employer selon la présente loi et qui :

(a) sells, distributes or advertises any goods or services in association with a confusing trade-mark or trade-name;

a) soit vend, distribue ou annonce des produits ou services en liaison avec une marque de commerce ou un nom commercial créant de la confusion;

(b) manufactures, causes to be manufactured, possesses, imports, exports or attempts to export any goods in association with a confusing trade-mark or trade-name, for the purpose of their sale or distribution;

b) soit fabrique, fait fabriquer, a en sa possession, importe, exporte ou tente d'exporter des produits, en vue de leur vente ou de leur distribution et en liaison avec une marque de commerce ou un nom commercial créant de la confusion;

(c) sells, offers for sale or distributes any label or packaging, in any form, bearing a trade-mark or trade-name, if

c) soit vend, offre en vente ou distribue des étiquettes ou des emballages, quelle qu'en soit la forme, portant une marque de commerce ou un nom commercial alors que :

(i) the person knows or ought to know that the label or packaging is intended to be associated with goods or services that are not those of the owner of the registered trade-mark, and

(i) d'une part, elle sait ou devrait savoir que les étiquettes ou les emballages sont destinés à être associés à des produits ou services qui ne sont pas ceux du propriétaire de la marque de commerce déposée,

(ii) the sale, distribution or advertisement of the goods or services in association with the label or packaging would be a sale, distribution or advertisement in association with

(ii) d'autre part, la vente, la distribution ou l'annonce des produits ou services en liaison avec les étiquettes ou les emballages constituerait une vente, une distribution ou une annonce en

a confusing trade-mark or trade-name; or

liaison avec une marque de commerce ou un nom commercial créant de la confusion;

(d) manufactures, causes to be manufactured, possesses, imports, exports or attempts to export any label or packaging, in any form, bearing a trade-mark or trade-name, for the purpose of its sale or distribution or for the purpose of the sale, distribution or advertisement of goods or services in association with it, if

d) soit fabrique, fait fabriquer, a en sa possession, importe, exporte ou tente d'exporter des étiquettes ou des emballages, quelle qu'en soit la forme, portant une marque de commerce ou un nom commercial, en vue de leur vente ou de leur distribution ou en vue de la vente, de la distribution ou de l'annonce de produits ou services en liaison avec ceux-ci, alors que :

(i) the person knows or ought to know that the label or packaging is intended to be associated with goods or services that are not those of the owner of the registered trade-mark, and

(i) d'une part, elle sait ou devrait savoir que les étiquettes ou les emballages sont destinés à être associés à des produits ou services qui ne sont pas ceux du propriétaire de la marque de commerce déposée,

(ii) the sale, distribution or advertisement of the goods or services in association with the label or packaging would be a sale, distribution or advertisement in association with a confusing trade-mark or trade-name.

(ii) d'autre part, la vente, la distribution ou l'annonce des produits ou services en liaison avec les étiquettes ou les emballages constituerait une vente, une distribution ou une annonce en liaison avec une marque de commerce ou un nom commercial créant de la confusion.

...

[...]

Exception

Exception

(2) No registration of a trade-mark prevents a person from making any use of any of the indications mentioned in subsection 11.18(3) in association with a wine or any of the indications mentioned in subsection 11.18(4) in association with a spirit.

(2) L'enregistrement d'une marque de commerce n'a pas pour effet d'empêcher une personne d'employer les indications mentionnées au paragraphe 11.18(3) en liaison avec un vin ou les indications mentionnées au paragraphe 11.18(4) en liaison avec un spiritueux.

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-866-15

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