

Federal Court



Cour fédérale

Date: 20180405

Docket: T-1547-16

Citation: 2018 FC 362

Ottawa, Ontario, April 5, 2018

PRESENT: The Honourable Mr. Justice Fothergill

BETWEEN:

**AMERICAN EXPRESS MARKETING &
DEVELOPMENT CORP.**

Applicant

and

BLACK CARD, LLC

Respondent

JUDGMENT AND REASONS

I. Overview

[1] American Express Marketing & Development Corp [Amex] filed appeals of ten decisions of the Trade-marks Opposition Board [TMOB], which dismissed its opposition to applications by Black Card LLC [BCL] for the trade-mark BLACKCARD and multiple variations thereof. Shortly before Amex was due to file its memorandum of fact and law, BCL abandoned all of the trade-mark applications with the exception of those pertaining to BLACK Design, MY

BLACKCARD and MY BLACKCARD REWARDS. BCL took the position that its abandonment of the seven applications caused the related appeals to become moot.

[2] Amex sought a preliminary ruling from this Court that the appeals respecting the seven abandoned applications were not moot. In the alternative, Amex asked the Court to exercise its discretion to decide the moot appeals, in accordance with the Supreme Court of Canada's decision in *Borowski v Canada (AG)* (1989), 57 DLR (4th) 231 (SCC) [*Borowski*].

[3] For the reasons that follow, I find that the appeals arising from the seven abandoned trade-mark applications are moot, and the Court should not exercise its discretion to decide them. With respect to the appeals pertaining to BLACK Design, MY BLACKCARD and MY BLACKCARD REWARDS, I find that Amex has not met its initial evidentiary burden of establishing the facts necessary to support any of the asserted grounds of opposition. The appeals are therefore dismissed.

II. Background

[4] Amex clears, registers, maintains, licenses and defends all trade-marks for the American Express group of companies in Canada. Amex says that BLACK CARD is an unregistered trade-mark sublicensed to Amex Bank of Canada, and is used in connection with a premium credit card known as the Centurion Card. The Centurion Card is black in colour.

[5] BCL is a company incorporated in the United States of America. BCL offers credit card and concierge services to members, principally in connection with entertainment, travel and business. BCL's credit cards are also black in colour.

[6] On March 24, 2009, BCL filed application 1,432,161 for the trade-mark BLACK Design, based on a proposed use in Canada in association with charge and credit card services and related benefits. The application claimed February 2, 2009 as a priority date. Amex filed a Statement of Opposition with the TMOB on December 27, 2013. The TMOB dismissed the opposition on July 8, 2016 (*American Express Marketing & Development Corp v Black Card, LLC*, 2016 TMOB 118). Amex appealed this decision on September 19, 2016 (T-1553-16).

[7] On March 24, 2009, BCL filed application 1,432,166 for the trade-mark MY BLACKCARD REWARDS, based on a proposed use in Canada in association with charge and credit card services and related benefits. The application claimed March 3, 2009 as a priority date. Amex filed a Statement of Opposition with the TMOB on December 27, 2013. The TMOB dismissed the opposition on July 8, 2016 (*American Express Marketing & Development Corp v Black Card, LLC*, 2016 TMOB 122). Amex appealed this decision on September 19, 2016 (T-1551-16).

[8] On March 24, 2009, BCL filed application 1,432,170 for the trade-mark MY BLACKCARD, based on a proposed use in Canada in association with charge and credit card services and related benefits. The application claimed March 3, 2009 as a priority date. Amex filed a Statement of Opposition with the TMOB on December 27, 2013. The TMOB dismissed

the opposition on July 8, 2016 (*American Express Marketing & Development Corp v Black Card, LLC*, 2016 TMOB 124). Amex appealed this decision on September 19, 2016 (T-1554-16).

[9] BCL abandoned its applications for seven related trade-marks, including BLACKCARD, on November 2, 2017. The same day, BCL filed a new application for the trade-mark BLACKCARD. On November 14, 2017, Amex filed an application for the trade-mark BLACK CARD.

[10] The parties agree that nothing turns on whether the disputed trade-marks present BLACK CARD as two words or BLACKCARD as one word.

III. Decisions under Appeal

[11] The TMOB's decisions in 2016 TMOB 124, 2016 TMOB 122, 2016 TMOB 118 and the seven abandoned trade-mark applications are substantially similar. Amex raises the same grounds of opposition to all ten applications:

- a) the Trademarks are confusing with Amex's unregistered BLACK CARD trade-mark, pursuant to s 16 of the *Trade-marks Act*, RSC 1985, c T-13;
- b) the Trademarks are not distinctive, pursuant to s 38(2)(d) of the *Trade-marks Act*, because:

- i. they are confusingly similar to Amex's unregistered BLACK CARD trade-mark and to Amex's Centurion Card, which is black in colour;
 - ii. they are descriptive because BCL's credit cards are black in colour, and both Amex and third parties have issued credit cards in Canada that are black in colour;
 - iii. they are descriptive because "black card" connotes a "high end" charge or credit card; and
- c) the trade-marks are clearly descriptive, pursuant to s 12(1)(b) of the *Trade-marks Act*.

[12] The TMOB dismissed all of Amex's grounds of opposition, holding that Amex had failed to meet its initial burden of adducing "sufficient evidence from which it could reasonably be concluded that the facts alleged to support [each] ground of opposition exist" (2016 TMOB 118 at para 12).

[13] With respect to the allegation of confusion under ss 16 and 38(2)(d) of the *Trade-marks Act*, the TMOB found that Amex had provided no admissible evidence to demonstrate it had

used BLACK CARD as a trade-mark prior to the material date. In particular, the TMOB concluded that:

- a) the BLACK CARD trade-mark was not made known in Canada prior to the material date, because there was no evidence that Amex had used it in advertising;
- b) no weight could be given to the affidavit evidence of internet search results, because it amounted to inadmissible hearsay;
- c) references to “black card” in articles published by third parties did not constitute trade-mark use, or making the trade-mark known; and
- d) there was no evidence demonstrating how many Canadians may have read the articles published by third parties.

[14] With respect to the allegation of descriptiveness under s 38(2)(d) of the *Trade-marks Act*, due to the general availability of black credit cards, the TMOB concluded that:

- a) a physical black credit card does not describe the character or quality of services offered;

- b) documents that were said to confirm the availability of black credit cards in Canada were provided in black and white, and did not demonstrate the true colours of any of the cards depicted;
- c) documents evidencing the content of online discussion forums were inadmissible because no information was provided to confirm their reliability;
- d) with one exception, none of the documents evidencing the content of official bank websites mentioned black cards; and
- e) with respect to the one black card reference that was said to appear on an official bank website, it was unclear when the content was available online.

[15] With respect to the allegation of descriptiveness under ss 38(2)(d) and 12(1)(b) of the *Trade-marks Act*, due to “black card” connoting a “high end” credit card, the TMOB concluded that:

- a) this ground was not pled pursuant to s 12(1)(b) of the *Trade-marks Act*;
- b) neither dictionary definitions nor the evidence of the content of websites demonstrated that “black card” connotes a “high end” credit card; and

- c) potential users would not form an immediate impression of the “high end” character or quality of services from the plain meaning of the words “black card”.

IV. New Evidence

[16] Both Amex and BCL filed new evidence in the appeals, in accordance with s 56(5) of the *Trade-marks Act*.

[17] Amex relies on the new evidence contained in the following six affidavits:

Affidavit of Dianne Cahill

[18] Ms. Cahill is President and Principal Officer of American Express Marketing & Development Corp in New York City. She provides an overview of Amex’s registered Canadian trade-marks, and the manner in which they are licensed to parent and affiliate companies in Canada and the United States. The trade-mark BLACK CARD is not mentioned. Ms. Cahill notes that in 1981, Amex’s U.S. parent company acquired a trademark registration in the United States for GOLD CARD. However, in 1988 the District Court for the Southern District of New York held that the mark was generic for a gold-coloured card.

Affidavit of Yael Rosen

[19] Ms. Rosen is the Director of Global Content Marketing at American Express Travel Related Services Company Inc in New York City. She discusses the history of Amex's family of colour-themed cards, and the development and launch of the Centurion Card. Amex launched the Centurion Card in the United States in 1999 in an effort to capitalize on rumours of an "ultra-exclusive" black card. Centurion members were solicited via an invitation letter from Amex Chairman Kenneth Chenault. The letter referred to a "black card". Ms. Rosen states that the Centurion Card, now made of titanium, has a distinctive black appearance. Some members of the public do not know the name Centurion Card, and refer to it only as "the Black Card". Ms. Rosen attaches several exhibits supporting the connection between the Centurion Card and "Black Card". This includes a report titled "American Express in Pop Culture" by Siegel & Gay, which discusses references to Amex's "Black Card" in popular culture. Ms. Rosen also attaches an internal report showing searches for the term "black card", "black amex" and closely-related terms on www.americanexpress.com in 2008, 2009, and 2010.

Affidavit of Tracy Hendricks

[20] Ms. Hendricks is the Vice-President and Head of Payment Security at American Express Travel Related Services Company Inc in New York City. She explains that the black Centurion Card is offered only to certain American Express members in order to maintain its prestigious character. She describes the benefits associated with the card, and notes that the name Centurion does not appear on the front of the card. She asserts that the Centurion Card is recognized as the

black card, and Amex plays on the “black” theme as part of its branding strategy. Ms. Hendricks describes the launch of the Centurion Card in Canada in 2008. She does not disclose the number of cards issued each year, but states that the current number is in the thousands. In November 2008, Amex sent an “Excite – Tantalize Letter” to eligible members that referred to “the mysterious “Black Card” from American Express”. Official invitations were subsequently sent in special black boxes, and the card itself was accompanied by a “high quality welcome package”. To commemorate the launch, Amex hosted an event titled “*Dark Matter – An Evening with the Art Gallery of Ontario*”.

[21] Ms. Hendricks’ affidavit also describes the regular and highly-personalized written and telephone communications with Centurion Card members. Card holders are invited to members-only events, such as “Blackout on Bloor” in Toronto or “Blackout on Burrard” in Vancouver. The affidavit also mentions Amex’s use of the term “black card” in a speech delivered in January 2011 by then President and CEO Howard Grosfield.

Affidavit of Julie Hetherington-Field

[22] Ms. Field is Manager of the Library (Reference and Legislation Services) Department at Osler, Hoskin & Harcourt LLP in Toronto. She was asked to locate references to the words “black card” in association with credit or charge card services in various publications, websites and blogs accessible by Canadians. She used the following databases: Google Search; Mega News; Canadian Publications (LexisNexis Quicklaw); and Canada Newswire (LexisNexis

Quicklaw). The affidavit attaches articles and webpages that reference “black card”, many of which pre-date December 5, 2008.

Affidavit of Patrick Sojka

[23] Mr. Sojka founded the online rewards resource website “www.RewardsCanada.ca” in 2001. This is considered by many to be a primary resource for travel rewards on the Internet. Mr. Sojka uses Google Analytics to monitor online traffic to his website. Today, the website has over 60,000 unique visitors monthly; in 2011 it had approximately 290,000 visitors, 80% of whom were from Canada; in January 2008, it had approximately 35,000 visitors.

[24] In April 2008, Mr. Sojka wrote a post for his website titled “Is Black the New Gold?” in which he stated the following: “Typically, black in colour, the new Infinite cards are now the premium card for Visa”. According to Mr. Sojka, these cards continue to be available today and are at the top of the Visa credit card hierarchy. In 2010, MasterCard World Elite credit cards were launched in Canada and remain available today. Mr. Sojka states that the World Elite cards are black in colour, and are at the top of the MasterCard credit card hierarchy.

Affidavit of Christopher Butler

[25] Mr. Butler is the Office Manager at the Internet Archive in San Francisco, California. The Internet Archive is a website that provides access to a digital library of Internet sites. It includes a service known as the Wayback Machine, which permits users to search archived

records for a Uniform Resource Locator, or URL, on a specified past date. Mr. Butler attaches print-outs of archived websites dating from 2005 to 2016. These print-outs demonstrate members of the public referring to the Centurion Card as the “black card”, and describing the Centurion Card as prestigious.

[26] BCL relies on the new evidence contained in the following two affidavits:

Affidavit of Gay Owens

[27] Ms. Owens is a trade-mark searcher at Smart & Biggar in Ontario. On May 10, 2017, Ms. Owens used the CDNameSearch Corp system, a computerized trade-mark search system maintained and updated weekly by the Canadian Trademarks Office, to find trade-mark registrations that consisted of colour words, or consisted of “MY”, “MON” or “MA” followed by a generic term. She attaches selected search results to her affidavit.

Affidavit of William Geraghty

[28] Mr. Geraghty is a senior investigator with XPERA Investigations in Whitby, Ontario. XPERA provides private, corporate, legal and insurance investigation services. Between May 12 and May 16, 2017, Mr. Geraghty used the WayBack Machine to obtain information from websites belonging to six different owners of colour word trademarks. He was asked to obtain print-outs from late 2013 where available and, if not, the next most recent version. Mr. Geraghty

says that he placed a call to a representative of the retailer Target, and was informed that its trademarked REDCARD credit and debit cards have been available to Canadians since 2000.

V. Issues

[29] These appeals raise the following issues:

- A. Are the appeals arising from the seven abandoned trade-mark applications moot and, if so, should the Court exercise its discretion to decide them?
- B. What is the standard of review?
- C. Are the disputed trademarks confusing with Amex's unregistered BLACK CARD trade-mark, contrary to s 16 of the *Trade-marks Act*?
- D. Are the disputed trademarks non-distinctive, contrary to s 38(2)(d) of the *Trade-marks Act*?
- E. Are the disputed trade-marks clearly descriptive, contrary to s 12(1)(b) of the *Trade-marks Act*?

VI. Analysis

A. *Are the appeals arising from the seven abandoned trade-mark applications moot and, if so, should the Court exercise its discretion to decide them?*

[30] On November 2, 2017, BCL abandoned seven of the ten trade-mark applications that were initially under appeal, and filed a new application for the trade-mark BLACKCARD. BCL takes the position that the seven corresponding appeals are now moot. Amex says the appeals are not moot. In the alternative, Amex asks this Court to exercise its discretion to decide the moot appeals.

[31] The doctrine of mootness is an aspect of general policy or practice that allows a court to decline to answer questions that have become hypothetical or abstract, and where the decision of the court would have no practical effect on the parties. The essential question that must be asked is whether some “live controversy” which affects or may affect the rights of the parties continues to exist (*Borowski* at 239).

[32] The two-part test for mootness requires the Court to decide: (a) whether the concrete dispute between the parties has disappeared such that the issues have become academic; and (b) if the response to the first question is affirmative, whether the Court should nevertheless exercise its discretion to hear the case (*Borowski* at 239). The exercise of the Court’s discretion is informed by the following three factors: (i) the existence of an adversarial relationship between the parties; (ii) concern for judicial economy; and (iii) awareness of the Court's proper law-

making function (*Canada Bread Co v La Tortilla Factory*, 2016 FC 704 at para 20 [*Canada Bread*]).

[33] Amex relies on *Canada Post Corp v Mail Boxes Etc USA Inc* (1997), 78 CPR (3d) 82, in which Justice Barbara Reed decided an appeal of a TMOB decision even though the underlying trade-mark application had been withdrawn. The respondent informed the Court of the withdrawal of the underlying trade-mark application by letter. The appellant objected to the absence of a formal notice of motion. Justice Max Teitelbaum directed that the appeal proceed. The procedural point was not further addressed by Justice Reed, and the respondent chose not to participate in the appeal. I therefore agree with BCL that the case is of limited assistance.

[34] The general rule is that the withdrawal of a trade-mark application renders the corresponding appeal moot (*Dura Undercushions Ltd v BASF Corp* (1998), 83 CPR (3d) 101 at para 14 [*Dura*]; *Engineers Canada v MMI-IPCO, LLC*, 2015 FC 839 at para 21; *Canada Bread* at para 23). Amex attempts to distinguish the present appeals on the grounds that three related appeals are ongoing, and BCL and Amex have filed new applications for the trade-marks BLACKCARD and BLACK CARD respectively.

[35] This Court's consideration of the appeals regarding the trade-marks BLACK Design, MY BLACKCARD and MY BLACKCARD REWARDS will inevitably require an analysis of many questions that are common to the ten appeals that were initially filed. However, the decisions will be based exclusively on the record before this Court. Any anticipated future proceedings, including those that may arise from BCL's and Amex's competing trade-mark applications, will

be decided according to their facts and on their own merits (*Dura* at para 25), perhaps with new evidence and with different material dates. Amex acknowledges that it is not seeking declaratory relief from this Court or any direction that would purport to bind the Registrar of Trademarks in relation to the recently filed applications.

[36] I therefore conclude that the concrete dispute between the parties regarding the seven abandoned trade-mark applications has disappeared, and the issues raised by the corresponding appeals have become academic. Concern for judicial economy and an awareness of the Court's proper function, specifically in relation to the independent role of the Registrar of Trademarks, militate strongly against the Court exercising its discretion to hear the appeals that have been rendered moot by the withdrawal of the underlying applications. I therefore decline to do so.

B. *What is the standard of review?*

[37] Decisions of the TMOB are subject to review by this Court against the standard of reasonableness, unless new evidence is adduced that would have materially affected the TMOB's findings of fact or its exercise of discretion (*Philip Morris Products SA v Imperial Tobacco Canada Limited*, 2014 FC 1237 at para 47 [*Philip Morris*]). To have a material effect, the new evidence must be substantial and significant, in that it must be more than a mere repetition of the evidence that was before the TMOB. The test is one of quality, not quantity (*Philip Morris* at para 48). Where new evidence is material, the applicable standard of review is correctness.

[38] Amex says that the standard of correctness applies because the new evidence is relevant and overcomes the evidentiary deficiencies identified by the TMOB. BCL responds that the standard of reasonableness applies because Amex has, once again, failed to adduce sufficient evidence to establish the facts that are alleged to support each ground of opposition.

[39] The affidavit of Ms. Hendricks provides evidence of two instances where Amex used the term “black card” in what might be described as advertising: the “Excite – Tantalize Letter” sent to a limited number of Amex members in November 2008, and the notes for a speech by Mr. Grosfield in January 2011. This evidence might have affected the TMOB’s findings of fact respecting the questions of confusion contrary to s 16 of the *Trade-marks Act* and non-distinctiveness contrary to s 38(2)(d) of the *Trade-marks Act*, and is therefore material.

[40] The affidavit of Mr. Sojka addresses some of the concerns expressed by the TMOB regarding Amex’s evidence of the disputed trade-marks’ alleged lack of distinctiveness. Mr. Sojka provides the dates on which his website was available in Canada, and the numbers of unique visitors for specific years. This evidence might have affected the TMOB’s findings of fact respecting the question of non-distinctiveness contrary to s 38(2)(d) of the *Trade-marks Act*, and is therefore material.

[41] The TMOB found that Amex’s allegation that the disputed trade-marks are clearly descriptive contrary to s 12(1)(b) of the *Trade-marks Act* was not properly pled. The TMOB nevertheless dealt with the allegation on its merits. Subject to the procedural point, the evidence

of Mr. Sojka addresses some of the TMOB's evidentiary concerns regarding this ground of opposition, and is therefore material.

[42] I conclude that the appeals are to be decided in accordance with the standard of correctness. The decisions of the TMOB must be reviewed in light of all the evidence, both new and old, and the Court must come to its own conclusion (*Mövenpick Holding AG v Exxon Mobil Corp*, 2011 FC 1397 at para 10; *Shell Canada Ltd v PT Sari Incofood Corp*, 2008 FCA 279 at para 22). The deference owed to the TMOB's expertise is reduced, but not eliminated (*Mcdowell v Laverana GmbH & Co KG*, 2016 FC 1276 at para 12, citing *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 37).

C. *Are the disputed trademarks confusing with Amex's unregistered BLACK CARD trademark, contrary to s 16 of the Trade-marks Act?*

[43] Subsection 16(3)(a) of the *Trade-marks Act* provides as follows:

16 (3) Any applicant who has filed an application in accordance with section 30 for registration of a proposed trade-mark that is registrable is entitled, subject to sections 38 and 40, to secure its registration in respect of the goods or services specified in the application, unless at the date of filing of the application it was confusing with

(a) a trade-mark that had been previously used in Canada or made known in Canada by any

16 (3) Tout requérant qui a produit une demande selon l'article 30 en vue de l'enregistrement d'une marque de commerce projetée et enregistrable, a droit, sous réserve des articles 38 et 40, d'en obtenir l'enregistrement à l'égard des produits ou services spécifiés dans la demande, à moins que, à la date de production de la demande, elle n'ait créé de la confusion :

other person;

a) soit avec une marque de commerce antérieurement employée ou révélée au Canada par une autre personne;

[44] Amex has the initial burden of proving that it has used or made known the trade-mark BLACK CARD in Canada. The material dates for confusion under s 16 of the *Trade-marks Act* are the priority dates for BCL's applications: February 2, 2009 and March 3, 2009.

[45] The TMOB found that Amex had adduced insufficient evidence to demonstrate it had used or made known the unregistered trade-mark BLACK CARD in Canada. Amex now relies on the evidence contained in the affidavit of Ms. Hendricks, specifically the reference to "a mysterious black card" in the "Excite – Tantalize Letter" sent to members in 2008, and the notes for a speech by Mr. Grosfield in 2011. However, Mr. Grosfield's speech was delivered after the material dates for confusion, and it cannot therefore be relied upon to prove that Amex used or made known the trade-mark BLACK CARD in Canada before 2009.

[46] I am not persuaded that the "Excite – Tantalize Letter" constitutes using or making known the trademark BLACK CARD in Canada prior to the material dates. The question is whether a trade-mark is advertised or displayed in connection with the provision of services (*Trade-marks Act*, s 5). At the time the "Excite – Tantalize Letter" was sent to Amex members, the Centurion Card was not available in Canada, and Amex was not yet providing any services in connection with the card. Furthermore, the reference to "a mysterious black card" was purely descriptive. Amex concedes that references to Amex's "black card" in articles published by third

parties do not constitute advertising or use of a trade-mark for the purposes of ss 4(2) and 5 of the *Trade-marks Act*.

[47] Based on a consideration of both the old and new evidence, I conclude that Amex has not met its initial burden of demonstrating that it used or made known the trade-mark BLACK CARD in connection with the provision of goods or services on or before February 2, 2009 and March 3, 2009.

D. *Are the disputed trademarks non-distinctive, contrary to s 38(2)(d) of the Trade-marks Act?*

[48] Paragraph 38(2)(d) of the *Trade-marks Act* provides as follows:

38 (2) A statement of opposition may be based on any of the following grounds:

[...]

(d) that the trade-mark is not distinctive.

38 (2) Cette opposition peut être fondée sur l'un des motifs suivants :

[...]

d) la marque de commerce n'est pas distinctive.

[49] Amex alleges that BCL's proposed trade-marks are non-distinctive for three reasons:

- a) they are confusingly similar to Amex's unregistered BLACK CARD trade-mark and to Amex's Centurion Card, which is black in colour;

- b) they are descriptive because BCL's credit cards are black in colour, and third parties have also issued credit cards in Canada that are black in colour; and
- c) they are descriptive because "black card" connotes a "high end" charge or credit card.

[50] The material date for distinctiveness under s 38(2)(d) of the *Trade-marks Act* is the filing date of the statement of opposition: December 27, 2013. Amex has the initial burden of proving that the unregistered trade-mark BLACK CARD was used or made known prior to this date.

[51] An attack based on non-distinctiveness under s 38(2)(d) of the *Trade-marks Act* is not restricted to the actual performance of services. Evidence of reputation and public knowledge, such as newspaper or magazine articles, may also be considered, together with any other evidence that tends to establish non-distinctiveness (*Stink Inc v Salt & Pepper Holdings Ltd*, 2001 FCT 549 at para 28, citing *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 at 58-59).

[52] In addition to the evidence submitted to the TMOB, Amex relies on the "Tantalize-Excite Letter" sent to Amex members, the notes for a speech by Mr. Grosfield, and articles and webpages attached to the affidavits of Ms. Field, Mr. Butler and Mr. Rosen. While this evidence shows some degree of public association of black credit or charge cards with Amex's Centurion Card at the material times, it falls markedly short of demonstrating that Amex's unregistered trade-mark BLACK CARD was used or made known prior to December 27, 2013.

[53] The TMOB noted the absence of evidence that Amex had issued a specific number of credit cards using the trade-mark BLACK CARD in Canada, or that it had carried out advertising campaigns in major newspapers and print publications circulating in Canada to promote its credit card in association with the trade-mark BLACK CARD (2016 TMOB 118 at para 41). This evidence continues to be absent. The third party articles adduced by Amex provide only sparse or anecdotal evidence of reputation and public knowledge.

[54] I am therefore not persuaded that the new evidence adduced by Amex establishes that the disputed trade-marks are non-distinctive due to confusing similarity to Amex's unregistered BLACK CARD trade-mark or Amex's Centurion Card. Amex has again failed to discharge its initial evidentiary burden in this respect.

[55] The "Excite – Tantalize Letter" was sent only to eligible Amex members, the number of whom was intentionally restricted to maintain the "ultra-exclusive" nature of the Centurion Card. The words "black card" in the notes for Mr. Grosfield's speech, assuming the speech was delivered in accordance with the notes, were heard by a limited audience at a Toronto hotel.

[56] The affidavit of Mr. Sojka establishes that premium credit cards issued by Visa and MasterCard, typically black in colour, have been distributed in Canada since 2008 and 2010 respectively. Mr. Sojka also provides information about the number of visitors to his website and the date of his article's availability. Much of this precedes the material dates, and suggests the possibility of an association by the public between black credit cards and premium or prestigious services. However, Amex has not provided evidence of the prevalence of black card use in

Canada, or whether this is sufficient to negate the distinctiveness of the disputed trade-marks as of the material dates.

[57] Nor has Amex established that the disputed trade-marks are non-distinctive because black cards connote a “high end” credit or charge card. Amex has adduced some evidence to support this proposition, but it does not establish a clear public association between black-coloured cards and “high end” credit cards or services. Based on the record in these proceedings, the answer to Mr. Sojka’s question “Is Black the New Gold?” remains uncertain.

[58] In light of these conclusions, it is unnecessary to consider the additional distinctive elements of the disputed trade-marks, specifically the addition of the word MY to MY BLACKCARD and MY BLACKCARD REWARDS, or the omission of the word CARD from BLACK Design.

E. *Are the disputed trade-marks clearly descriptive, contrary to s 12(1)(b) of the Trade-marks Act?*

[59] Paragraph 12(1)(b) of the *Trade-marks Act* provides as follows:

12 (1) Subject to section 13, a trade-mark is registrable if it is not	12 (1) Sous réserve de l'article 13, une marque de commerce est enregistrable sauf dans l'un ou l'autre des cas suivants :
[...]	[...]
(b) whether depicted, written or sounded, either clearly descriptive or deceptively	b) qu'elle soit sous forme

<p>misdescriptive in the English or French language of the character or quality of the goods or services in association with which it is used or proposed to be used or of the conditions of or the persons employed in their production or of their place of origin;</p>	<p>graphique, écrite ou sonore, elle donne une description claire ou donne une description fautive et trompeuse, en langue française ou anglaise, de la nature ou de la qualité des produits ou services en liaison avec lesquels elle est employée, ou en liaison avec lesquels on projette de l'employer, ou des conditions de leur production, ou des personnes qui les produisent, ou de leur lieu d'origine;</p>
---	---

[60] The material dates for the purposes of s 12(1)(b) of the *Trade-marks Act* are the priority dates of the applications: February 2, 2009 and March 3, 2009. The test is whether a trade-mark is clearly descriptive of the character or quality of the goods or services. This must be assessed from the perspective of the average retailer, consumer or everyday user of the type of goods or services in question (*Wool Bureau of Canada Ltd v Canada (Registrar of Trade Marks)* (1978), 40 CPR (2d) 25 at 27).

[61] Amex relies on Ms. Hendricks' description of the launch, issuance and promotion of the Centurion Card, and says that Amex's marketing strategy has been to link the idea of prestigious and exclusive services with black credit or charge cards. Amex claims the notion that black cards are "high end" has attained widespread recognition in Canada, as shown by the print-outs of websites attached to the affidavits of Ms. Stecyk, Mr. Butler and Ms. Field. As previously discussed, the affidavit of Mr. Sojka confirms that a premium credit card that is predominantly black in colour has been issued by Visa since 2008.

[62] The TMOB found this ground of opposition to be improperly pled because it was not sufficiently particularized. Assuming, without deciding, that this ground may be advanced in support of these appeals, and taking into account the new evidence adduced by Amex, I am not persuaded that Amex has discharged its initial evidentiary burden. The new evidence demonstrates that some Canadians associate black credit or charge cards with prestigious or premium services, but this is not sufficient to render the terms BLACK or BLACKCARD “clearly” descriptive.

[63] “Clearly” implies self-evident or plain (*Drackett Co of Canada v American Home Products Corp* (1968), 55 CPR 29 at 34). In oral argument, Amex conceded that its opposition to the proposed trade-marks under s 12(1)(b) of the *Trade-marks Act* was the weakest of the various grounds advanced. I agree. The evidence adduced by Amex in support of these appeals does not establish that a credit or charge card that is black in colour clearly describes the character or quality of the services provided, or that potential users of the services would have an immediate impression of their character or quality based upon a plain meaning of the words forming the trade-marks.

VII. Conclusion

[64] The appeals arising from the seven abandoned trade-mark applications are moot, and the Court should not exercise its discretion to decide them. With respect to the appeals pertaining to BLACK Design, MY BLACKCARD and MY BLACKCARD REWARDS, Amex has not met

its initial evidentiary burden of establishing the facts necessary to support any of the asserted grounds of opposition. The appeals are therefore dismissed.

[65] If the parties are unable to agree upon costs, BCL may make written submissions not exceeding five (5) pages within fourteen (14) days of the date of this Court's Judgment. Amex may make written submissions in reply not exceeding five (5) pages within fourteen (14) days thereafter.

JUDGMENT

THIS COURT'S JUDGMENT is that:

1. The appeals in T-1547-16, T-1548-16, T-1549-16, T-1550-16, T-1551-16, T-1552-16, T-1553-16, T-1554-16, T-1555-16 and T-1557-16 are dismissed.

2. If the parties are unable to agree upon costs, BCL may make written submissions not exceeding five (5) pages within fourteen (14) days of the date of this Court's Judgment. Amex may make written submissions in reply not exceeding five (5) pages within fourteen (14) days thereafter.

"Simon Fothergill"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1547-16

STYLE OF CAUSE: AMERICAN EXPRESS MARKETING &
DEVELOPMENT CORP v BLACK CARD LLC

PLACE OF HEARING: TORONTO, ONTARIO

DATE OF HEARING: FEBRUARY 22, 2018

JUDGMENT AND REASONS: FOTHERGILL J.

DATED: APRIL 5, 2018

APPEARANCES:

Vincent M. de Grandpré
Laurent Paulin

FOR THE APPLICANT

Daniel M. Anthony

FOR THE RESPONDENT

SOLICITORS OF RECORD:

OSLER, HOSKIN & HARCOURT LLP
Toronto, Ontario

FOR THE APPLICANT

SMART & BIGGAR
Ottawa, Ontario

FOR THE RESPONDENT