



T-29-94

BETWEEN:

**BIG SISTERS ASSOCIATION OF ONTARIO
AND BIG SISTERS OF CANADA**

Plaintiffs,

- and -

BIG BROTHERS OF CANADA

Defendant.

REASONS FOR JUDGMENT

GIBSON J.:

INTRODUCTION AND AGREED FACTS

By Statement of Claim filed the 7th of January, 1994,
Big Sisters Association of Ontario ("BSAO") and Big Sisters of Canada
("BSC") seek the following reliefs, among others, against the Defendant
Big Brothers of Canada ("BBC"):

- (a) A declaration as between the parties that the use and adoption by the defendant of the name, "Big Brothers and Sisters of Canada", either alone or in combination with other indicia, in connection with its business, is prohibited by sections 9 and 11 of the *Trade Marks Act*;
- (b) An order that the publication of the official mark "Big Brothers and Sisters of Canada" published by the Registrar of Trade Marks be struck out and a declaration that such publication is invalid and unenforceable;
- (c) An interim, interlocutory and permanent injunction restraining the defendant, its officers, directors, agents, servants, employees, representatives, and anyone over whom it exercises control from using,

without the consent of BSC and/or BSAO, the marks "Big Sisters", Big Sisters of Canada, or Big Brothers and Sisters of Canada, either alone or in combination with other indicia, in connection with its business or activities, or from adopting or using, without the consent of BSC and/or BSAO, as a trade mark or otherwise, any word or mark consisting of, or so nearly resembling as to be likely to be mistaken for the official marks of the Plaintiffs, "Big Sisters" and "Big Sisters of Canada".

....

(f) Its [sic] costs of this action.

The other reliefs sought, damages or an accounting of profits and interest, were withdrawn at the opening of trial.

By order dated the 17th of June, 1994, this Court dismissed the Plaintiffs' application for an interlocutory injunction, with costs.

The Defendant filed a Statement of Defence and Counterclaim on the 28th of February, 1995. Once again, at the opening of trial, the Defendant's counterclaim was withdrawn.

Also at the opening of trial, counsel filed a joint exhibit book containing 199 documents on which there was agreement between the parties as to their dates and their purported identity, but not as to the truth of their contents. Counsel also filed an Agreed Statement of Facts to which was appended six schedules. The schedules are reproduced as schedules to these reasons and are cross-referenced in the same way in which they are dealt with in the Agreed Statement of Facts. The Agreed Statement of Facts, itself, is in the following terms:

1. THE PARTIES

(a) Big Sisters Association of Ontario

1. The plaintiffs, Big Sisters Association of Ontario and Big Sisters of Canada, and the defendant, Big Brothers of Canada, are charitable organizations. The Big Sisters' movement was established in Canada in 1912 by the Local Council of Women in Toronto to support the emotional, physical and social well-being of young girls.

2. In 1974, the Big Sisters Association of Ontario was organized as a regional administrative body to assist individual Big Sisters agencies in Ontario with program development, agency management, staff training, referrals and fund raising. At that time there were 11 incorporated Big Sister agencies in Ontario.

3. By Letters Patent dated July 17, 1981 the Big Sisters Association of Ontario ("BSAO") was incorporated by the then existing Big Sisters agencies under the Ontario Corporations Act, R.S.O. 1980, c. 95. By the time of this incorporation, the number of Big Sisters agencies in Ontario had grown to 27.

4. There are currently 51 Big Sisters agencies affiliated with BSAO. These agencies presently match 3,075 Big Sisters and Little Sisters. BSAO does not have any member agencies that are located outside Ontario. Thirteen of these agencies are joint agencies, all of which are also members of BBC.

5. BSAO has 4 staff members and 15 volunteers who sit on its Board of Directors. Some of BSAO's activities include the following:

- a) The publication of a newsletter to Big Sisters member agencies in Ontario six times a year;
- b) providing videotapes on training and public speaking;
- c) providing information on fund-raising activities;
- d) providing information on programming for "Little Sisters";
- e) holding periodic conferences on a variety of related issues which representatives of local Big Sisters agencies may attend; and
- f) providing opportunities for Big Sister agency representatives in Ontario to exchange ideas and meet each other.

(b) Big Sisters of Canada

6. There are Big Sisters agencies in provinces outside of Ontario with the same or similar underlying philosophies and programming as the Ontario Big Sisters agencies.

7. On May 9, 1989 BSAO incorporated Big Sisters of Canada ("BSC") by Letters Patent pursuant to the Canada Corporations Act. The objects of BSC are as follows;

- a) to act as a central resource and provide support to Big Sister organizations across Canada;
- b) to address the particular needs of girls in communities across Canada by encouraging the initiation and growth of Big Sister organizations;
- c) through public education, to raise community awareness of the Big Sisters program to ensure that those in need of such programs will have access to them;

d) to act as an advocate on public issues affecting young girls.

8. The President of BSAO is a member of the Board of Directors of BSC.

9. BSC's office is located at 40 Sheppard Avenue West, Suite 707, North York, Ontario.

10. There are 42 member agencies of BSC - 34 in Ontario, 1 in Manitoba, 3 in Saskatchewan, 2 in Alberta and 2 in British Columbia.

11. BSC raises money to support the organization through donations and sponsorships.

12. BSC member agencies must have, as a primary element of their program, the service of one-to-one matching of a Big Sister and Little Sister.

(c) **Big Brothers of Canada**

13. The Big Brothers' movement began in Canada in 1913 when a group of Toronto businessmen organized volunteers to assist boys and girls who "came to their attention through the courts". In the early 1960s, Big Brothers groups shifted their focus from young offenders to boys who lived in homes where the father was absent.

14. The Defendant, Big Brothers of Canada/Les Grands Frères du Canada ("BBC") is a corporation incorporated by Letters Patent dated December 15, 1964 under the *Canada Corporations Act*, R.S.C. 1970, c. C-32, as amended. Big Brothers Canada had 10 local agencies, mainly in southern Ontario, at the time of its incorporation. Big Brothers Canada operates as an umbrella organization for, 176 member agencies, 129 of which are joint Big Brother/Big Sister agencies. 73% of the members of Big Brothers Canada provide Big Brother and Big Sister services. 46 member agencies are discrete Big Brothers agencies and 1 is a discrete Big Sisters agency. Big Brothers of Canada has had joint Big Brother/Big Sister agencies in all of the provinces for at least 10 years. The agencies which are affiliated with Big Brothers Canada are members of the national corporation. Most of the agencies have written agreements with Big Brothers Canada concerning conduct and the use of names. Some joint agencies are members of both Big Brothers Canada and either Big Sisters Ontario or Big Sisters Canada.

15. BBC is a national organization servicing Big Brothers and joint Big Brothers and Big Sisters organizations. The joint agencies use the words "Big Brothers" and "Big Sisters" in their names.

16. BBC provides administrative and support services to local member agencies. BBC does not administer matching programs.

(d) **Member Agencies**

17. In the years following the establishment of these movements, a number of individual or "discrete" local agencies offering Big Sister or Big Brother programs were developed in communities, principally in Ontario. These Big Sister and Big Brother local agencies were not normally affiliated with each other. However, in some areas, the Big Sister and Big Brother local agencies operated for administrative purposes as joint organizations and shared the same location.

18. Local agencies of the plaintiffs and defendant operate and administer the programs under which specific services are provided to Little Sisters and Little Brothers. Local agencies are separate corporations from BSAO/BSC or BBC, and they are either "discrete" or "joint" agencies.

Discrete agencies provide services only to children of one sex. Joint agencies provide services to children of both sexes.

19. During the last 17 years, the amalgamation of some local Big Brother and Big Sister agencies has been occurring.

20. The names used by local member agencies usually incorporate a reference to the location of the agency - eg. Big Sisters of Toronto, Big Brothers of Peel, or Big Brothers/Big Sisters of St.Thomas - Elgin.

21. There are 51 local agencies which are members of BSAO. These local agencies are all located in the Province of Ontario and are both discrete and joint agencies. BSAO's members [sic] agencies are listed on Schedule "A".

22. There are 42 local agencies which are members of BSC and are both discrete and joint agencies. BSC member agencies are listed on Schedule "B".

23. All BSC member agencies in Ontario are also members of BSAO.

24. As of October, 1996, there are 176 local agencies which are members of BBC - of these 129 (73%) are joint Big Brothers and Big Sisters agencies, 46 are discrete Big Brothers agencies and 1 agency is a discrete Big Sisters agency. These joint agencies have the words "Big Sisters" in their title, serve Little Sisters and recruit and provide Big Sisters. These agencies are both discrete and joint. BBC member agencies are listed on Schedule "C".

25. Schedule "D" lists, by province, the number of local member agencies of each party and the number of local joint agencies which are members of each party.

26. Schedule "E" lists, by province, the number of Little Sister or Little Brother matches for local agencies which are members of the parties.

27. BBC requires a local agency to become a member of BBC before the agency can use the name "Big Brothers".

B. THE MARKS

(1) Publication of the Marks

28. On August 8, 1973, BBC caused public notice to be given of the adoption of the mark "Big Brothers" under s.9(1)(n)(iii) of the *Trade-marks Act* R.S.C. 1970, c.T-10.

29. On May 28, 1979, BBC filed a certification mark application for "Big Brothers" which registered November 7, 1980 and was renewed November 7, 1995.

30. On September 25, 1985 the Registrar under the *Trade-Marks Act* gave public notice of the use by BSAO of the mark "Big Sisters Association of Ontario." Attached as Schedule "F" is a copy of the Certificate of Authenticity dated September 25, 1985.

31. On January 23, 1986 BSAO filed a request pursuant to s.9(1)(n)(iii) of the *Trade-Marks Act* that the Registrar give public notice of the adoption and use by BSAO of the marks "Big Sisters of Canada" and "Big Sisters". On April 2, 1986 the Registrar under the *Trade Marks Act* gave public notice, pursuant to section 9(1)(n)(iii) of the Act, of the adoption and use by BSAO of the official marks "Big Sisters of Canada" and "Big Sisters" for "the fostering and development of Big Sisters services in

Ontario and the collecting of monies by way of donations or otherwise, the accepting of gifts, legacies, devices and bequest [sic] to promote Big Sisters' services in Ontario." Attached as Schedule "G" is a copy of the notice dated April 2, 1986.

32. On January 7, 1987 pursuant to a request by BBC filed October 15, 1986, the Registrar under the *Trade Marks Act* gave public notice pursuant to section 9(1)(n)(iii) of the Act of the adoption and use by BBC of the official mark "Big Brothers and Sisters of Canada"; "Les Grands Freres et Soeurs du Canada" and a Design depicting a child in the embrace of an adult ("BBC Design"). (Exhibit Book Tab 153)

IV. Chronology of Certain Events

33. On January 14, 1986, Big Brothers Canada issued a notification of its intent to seek permission from its membership for a change in name.

34. The president of Big Sisters Ontario, in her capacity as a member of the Agency Relations Committee, was informed of the "progress and information" of Big Brothers Canada and was provided with a copy of the questionnaire and the notification of intent to effect a name change.

35. On January 21, 1986, Big Sisters Ontario filed a request with the Registrar of Trade Marks for public notice of the adoption and use by Big Sisters Ontario of the official mark "Big Sisters of Canada". The request specified that the official mark "Big Sisters of Canada" had been adopted and used for "...fostering the development of Big Sisters' services in Ontario...". BBC was not advised in advance about BSAO's request nor did it seek any approval to do so. (Exhibit Book, Tab 148)

36. At the time that Big Sisters Ontario took this step, the two organizations were continuing their discussions of contentious issues. For example, minutes of a meeting of the council of Big Sisters Ontario in March, 1986, confirmed that it and Big Brothers Canada had met to discuss the issue of the amalgamation of agencies in Ontario. The minutes further revealed that, in these discussions, the president of Big Brothers Canada had stated that its national board had given unanimous approval in principle to the decision that its corporate name be changed to "Big Brothers and Sisters of Canada".

37. Notice of the adoption and use of the official marks "Big Sisters" and "Big Sisters of Canada" by Big Sisters Ontario was published in the Trade Marks Journal of April 2, 1986. (Exhibit Book, Tab 149)

38. One of the reasons which prompted Big Sisters Ontario to obtain the official marks "Big Sisters" and "Big Sisters of Canada" was the proposed corporate name change of Big Brothers Canada.

39. In April, 1986, the solicitors for Big Sisters Ontario discovered during the course of a search that the name "Big Brothers/Big Sisters of Canada" has been proposed in an application for incorporation by Big Brothers Canada.

40. By letter dated April 16, 1986, an objection was registered with the Department of Consumer and Corporate Affairs on behalf of Big Sisters Ontario on the basis that the use of the proposed name would be confusing with "Big Sisters" and "Big Sisters Association of Ontario". The letter of objection further noted that "[a]lthough there are local associations of Big Brothers/Big Sisters in Ontario and throughout Canada ... the fund-raising efforts of the Ontario [Big Sisters] organizations would be directly affected if there is a national organization known as Big Brothers/Big Sisters of Canada" (Exhibit Book, Tab 150).

41. By letter dated May 22, 1986, Big Brothers Canada expressed "deepest concern" to the president of Big Sisters Ontario about the actions taken by her organization. At the time, over 46% of the members of Big Brothers Canada were joint Big Brother/Big Sister agencies.

42. The president of Big Sisters Ontario outlined in a letter dated June 18, 1986, the steps taken by her organization in response to the proposed corporate name change by Big Brothers Canada. She also observed in this letter that "...it is in our best interest to confirm our identity as Big Sisters, prior to the commencement of our first province-wide fund-raising and public relations campaign". A willingness was expressed to discuss the issue further, noting that "...this may be helpful with the mutual concern of our organizations for the welfare of children in this country". (Exhibit Book Tab 152)

43. At the BBC's annual general meeting in Vancouver in July, 1986 a motion to change BBC's corporate name to "Big Brothers and Big Sisters of Canada" was withdrawn.

44. On January 7, 1987, the Registrar of Trade Marks gave public notice of the adoption and use by Big Brothers Canada of the official marks "Big Brothers and Sisters of Canada Les Grands Freres et Soeurs du Canada" and a logo depicting a child in the embrace of an adult. (Exhibit Book Tab 153)

43. BSAO was not advised in advance about BBC's request for the official mark nor did BSAO consent to BBC's use of the mark.

44. On March 30, 1987, the president of Big Sisters of Ontario advised Big Brothers Canada that its official mark "Big Brothers and Sisters of Canada" would be confusing to the public and requested that it cease to use the mark. (Exhibit Book Tab 154)

45. In June, 1987, a motion was made at the annual general meeting of Big Brothers Canada at the request of its Atlantic Regional Council to change its corporate name to "Big Brothers and Sisters of Canada". This motion was withdrawn "...because of the need for further information and clarification".

46. On February 16, 1988, the president of Big Sisters Ontario wrote to Big Brothers Canada confirming her understanding that a motion was to be proposed to change the name of Big Brothers Canada to "Big Brothers and Sisters of Canada". She expressed her concern that the proposed name change would cause confusion and stated as follows:

"We feel that the use of the name Big Brothers and Sisters of Canada will cause confusion in those parts of Canada where there are separate Big Brother and Big Sister agencies to the detriment of both of our organizations.

We realize that in [sic] large part of Canada, there are not separate Big Sister organizations but that in the Province of Ontario, the Province of Alberta and some of our large metropolitan areas, there clearly is potential for conflicts." (Exhibit Book Tab 155)

47. The president of Big Brothers Canada, Mr. Richardson, responded by letter dated March 17, 1988, and confirmed that a motion to change its name to "Big Brothers and Sisters of Canada" would be made at its annual general meeting in July, at the request of the Atlantic Regional Council. He further proposed the establishment of a joint task force "...to study and make recommendations on the joint direction ..." of the two organizations. The official mark logo of Big Brothers Canada depicting a child in the embrace of an adult was prominently displayed on the stationery of Big

Brothers Canada as of the date of this letter. (Exhibit Book Tab 156)

48. A motion to change the corporate name of BBC was placed before the BBC annual general meeting in July, 1988. The motion was withdrawn so that a task force could be established to study the implications of BBC's proposed name change.

49. On August 12, 1988, Big Brothers Canada received formal notification that Big Sisters Ontario would not consent to the use by Big Brothers Canada of the marks "Big Sisters" or "Big Sisters of Canada" as part of its name or otherwise. Big Sisters Ontario threatened to institute an action, if necessary, to protect its rights. (Exhibit Book Tab 158)

50. In July, 1988 BBC established a "Task Force Working With Big Sisters" (the "Task Force"), the mandate of which was to study the joint direction of Big Brothers and Big Sisters agencies. BSAO was invited to participate in the Task Force and sent representatives to some meetings.

51. In March, 1989, the "Report of the Taskforce Working with Big Sisters" (Taskforce Report) was released. The members of the task force were representative of all sizes of discrete and joint agencies belonging to the two organizations and diverse geographical areas of the country. A major responsibility of the task force was "...to design and distribute a questionnaire to all related agencies that would be affected by the name change". The questionnaire to all related agencies that would be affected by the name change". [sic] The questionnaire was sent to all discrete Big Brother and Big Sister agencies and joint Big Brother/Big Sister agencies. The Taskforce Report noted that "the most significant factor in making a decision on the name change was the type of organization responding to the questionnaire". In this respect, 92% of the joint Big Brother/Big Sister agencies favoured the proposed name change, while almost 75% of the discrete Big Sisters organizations opposed it. The Taskforce Report noted in its concluding observations that many of those who responded to the questionnaire expressed "...considerable uncertainty ... about the long term implications of the name change, particularly a concern that organizations at the local level will be forced to amalgamate their programs". It further observed that information should be shared to avoid further misunderstandings. In this regard, the following statement was made: "If the long term future of Big Brothers and Big Sisters is to be a positive partnership, the decision to change the name of Big Brothers of Canada must be carefully negotiated with all concerned and not simply be legislated in place." (Exhibit Book Tab 158)

52. By letters patent dated May 9, 1989, Big Sisters of Canada was incorporated "...to [sic] general awareness, funds and support for Big Sisters on a national basis and to serve as a resource..." to the member agencies. Its "mission statement" recognized the "distinct needs of girls and young women". Big Sisters Ontario was instrumental in the incorporation of Big Sisters Canada.

53. On May 15, 1989, the president of Big Brothers Canada, Mr. Richardson, wrote to the agency presidents and national board members concerning the July, 1989 annual meeting at which they would be asked to vote on the question of changing the name of the organization to "Big Brothers and Sisters of Canada". In this letter, he provided information to assist them in making a decision on the question and offered his personal opinion that a name change would impact on member agencies and Big Sister agencies throughout Canada. He further stated that, in his opinion, it was not the appropriate time to change the name of the organization. However, he recommended that a name change be implemented "...after a few years of additional study, or working together, and cooperation between [the] two groups ...". In his view, one national organization called "Big Brothers and Sisters Canada" would provide services to

discrete or joint agencies. The decision as to whether an agency would be discrete or local [sic] would always be made in the local community. In closing, he observed that this "...would be best for the youth in all the communities we serve". The motion to change the name of Big Brothers Canada was defeated at the meeting as the president of the organization had recommended. (Exhibit Book Tab 159)

54. After the name change motion was defeated, BBC restructured its Task Force.

55. By letter dated October 23, 1989, the chairperson of the task force, who was an official of Big Brothers Canada, wrote to Big Sisters Ontario and Big Sisters Canada to advise of the progress of the task force which had been "...reappointed for a further year of work in the interest of maintaining and enhancing dialogue... and promoting greater understanding of the programmes of joint agencies...". The first part of the working year of the task force would be devoted to examining "achievements and frustrations" of joint agencies and the second part to discussing matters with discrete Big Sisters organizations and reviewing their programs. (Exhibit Book Tab 161)

56. By letters dated April 18 and March 21, 1990 BSAO and BSC wrote to BBC inquiring when the dialogue would begin. (Exhibit Book Tabs 163 and 164)

57. In April 1990, BSC and BSAO learned that a motion would be tabled at the BBC annual general meeting On June 30, 1990 to change BBC's corporate name to "Big Brothers and Sisters of Canada".

58. On April 19, 1990, the President of Big Sisters Canada wrote to the Department of Consumer and Corporate Affairs ("Department"), indicating that it was her understanding that Big Brothers Canada would be submitting a request to change its name to "Big Brothers and Sisters of Canada". She stated that Big Sisters Canada would oppose such a name change. (Exhibit Book Tab 165)

59. BSC, BSAO and individual Big Sisters agencies opposed BBC's proposed name change by writing letters to BBC and various government bodies, including a letter from BSC to Consumer and Corporate Affairs dated April 19, 1990 opposing the name change and the response of Consumers and Corporate Affairs by letter dated May 8, 1990, a letter dated May 8, 1990 from the Northumberland Big Sisters agency to Tony Allen, then President of BBC objecting to the proposed name change, and letters dated June 27, 1990 from BSAO to the Ministry of Consumer and Commercial Relations, Corporate Services Branch; copies of which were sent to the Ministry of the Attorney General, Charities Division of the Office of the Public Trustee and to Consumer and Corporate Affairs Canada, Corporate Examinations Section. (Exhibit Book Tabs 165, 166 and 167).

60. By letter dated June 27, 1990, Big Sisters Ontario also registered an objection with the Department to a name change by Big Brothers Canada (Exhibit Book Tab 168)

61. Consumer and Corporate Affairs responded by letter dated July 9, 1990. The chief of the corporate examination section in the Department responded that, from a procedural perspective, any such application would be brought to her attention, the applicant would be advised of the objection and, in the event of a protest, Big Sisters Canada would be involved prior to the making of a decision. (Exhibit Book Tab 171)

62. At the annual general meeting of Big Brothers Canada on June 30, 1990, a motion to change the name of the organization to "Big Brothers

and Sisters of Canada" was carried by a 75% majority vote.

63. On July 11, 1990, a name reconsideration request submitted by Big Brothers Canada was rejected by the Department on the basis that the proposed name "Big Brothers and Sisters of Canada" would be confusing with 54 trade names or trade marks, including "Big Sisters" and "Big Sisters of Canada". Many of the names listed in the report were discrete or joint agencies. (Exhibit Book Tabs 173, 174 and 175)

64. On November 14, 1990, the solicitors for Big Brothers Canada requested the Department to reconsider its decision that the proposed name was unavailable. Further submissions to the Department were made by Big Sisters Canada and Big Sisters Ontario. By [sic] letter to Consumer and Corporate Affairs dated December 18, 1990 asking that the July 11, 1990 decision be confirmed. (Exhibit Book Tab 179)

65. By letter dated June 18, 1991 Consumer and Corporate Affairs confirmed its decision of July 11, 1990 that BBC's proposed name was not available because "the proposed name change will create a likelihood of confusion with Big Sisters of Canada and Big Sisters Association of Ontario." (Exhibit Book Tab 184)

66. An application to the Federal Court of Appeal for judicial review of this decision was brought by Big Brothers Canada. (Exhibit Book Tab 182)

67. In an attempt to avoid further litigation, discussions were held and a joint statement was signed in May, 1992, by representatives of Big Sisters Ontario, Big Sisters Canada and Big Brothers Canada. The three organizations agreed to this joint statement to recommend to their respective boards the development of a protocol for the mutual use of the names "Big Brother" and "Big Sister" at the national level. (Exhibit Book Tab 186 and 187)

68. A resolution was not reached.

69. The application for judicial review brought by Big Brothers Canada was quashed in October, 1992, on the basis that the departmental decision being challenged was administrative in nature and not subject to review [see *Big Brothers of Canada v. Canada (Minister of Consumer and Corporate Affairs)* (1992), 145 N.R. 261, 36 A.C.W.S. (3d) 511].

70. On February 9, 1993, Big Brothers Canada wrote to Big Sisters Canada to advise that the executive committee of Big Brothers had decided to "continue" its use of its official mark and that the mark would go into "wider use". It confirmed its intention to renew its application to change its corporate name. (Exhibit Book Tab 192)

71. Officials of Big Brothers Canada recognized that the use of its official mark "Big Brothers and Sisters of Canada" would likely attract litigation, but nevertheless proceeded with the plans to use it.

72. Big Sisters Canada and Big Sisters Ontario registered their objection to the course of conduct proposed by Big Brothers Canada in letters sent in March, 1993. Big Sisters Ontario indicated in its letter that the failure of Big Brothers Canada to discontinue its use of the "Big Sisters" trade mark would result in "immediate legal action", including a request for injunctive relief. (Exhibit Book Tabs 194 and 195)

73. BBC informed its local agencies of the decision to use the name "Big Brothers and Sisters of Canada" in the March, 1993 issue of "Big News" its internal newsletter. (Exhibit Book Tab 193)

74. Discussions were held in September, 1993, in an effort to resolve the

problem. This attempt at negotiation was unsuccessful and an action was instituted by Big Sisters Ontario and Big Sisters Canada on January 7, 1994. The application for injunctive relief was brought in March, 1994.

At this point there appears a blank space in the Agreed Statement of Facts. The following paragraph appears on a separate page but above the date line and the signatures of counsel for the parties.

12. On May 26, 1993, BSC wrote to Consumer and Corporate Affairs continuing its objection to BBC's use of its name. (Exhibit Book Tab 197)

Before continuing to a brief outline of the testimony at trial, I wish to record a few comments with respect to the foregoing Agreed Statement of Facts. First, it is evident that substantial effort went into its development. It is also evident that that effort intensified, if indeed it did not originate, in the few weeks before trial when it became abundantly apparent that there was no way to settle this litigation. The Agreed Statement of Facts is dated the day the trial began.

It is evident from the Agreed Statement of Facts that this litigation arises from a dispute that has been of relatively long standing. It is also evident that the dispute has absorbed a substantial amount of time, energy and attention, often on the part of volunteers whose primary interest was service to girls and boys and young women and young men in need of help. I do not, on the basis of the Agreed Statement of Facts or on the basis of the testimony and demeanour of those who appeared before me, question the motivation of any of those who found themselves entangled in the dispute that led to this litigation, or indeed in the litigation itself. To a person, I am satisfied that they

would have been much happier and more content devoting their efforts to their principal interest and the principal objectives of their organizations rather than to the dispute and the litigation. That being said, as is apparent from the Agreed Statement of Facts and as was painfully apparent from those who testified before me, the views of those directly involved in the dispute and the litigation, on both sides, were and remain deeply entrenched and divided.

For those from east of Ontario, for BSAO and BSC had no member agencies east of Ontario at all relevant times, the efforts by BBC to reflect in its name the reality that, across Canada, it serves girls and young women as well as boys and young men, seems only a logical and reasonable thing to do. To fail to do so would, in their view, be to perpetuate in BBC's name a misdescription.

For many from western Canada, where the majority of agencies are joint and the vast majority of those agencies are members of BBC and not of BSC, the prevailing attitude is likely best summed up by the testimony of one witness called on behalf of BBC who has for many years been associated with an Edmonton and surrounding region agency that was first a discrete Big Sisters agency and is now a joint agency, a member of BBC and not of either of the Plaintiffs, when she said that what has culminated in this litigation is "an Ontario issue" not an "Alberta issue".

By contrast, in Ontario, where the Plaintiffs have by

far their greatest presence, the issue would appear to be, for many active in or associated with the Plaintiffs, one they consider to be associated with the very survival of the Plaintiffs and with their personal commitment to discrete agencies providing services to girls and young women in the face of an increasing tendency towards joint agencies that appear in turn to gravitate toward the Defendant.

VIVA VOCE EVIDENCE

The Plaintiffs called six witnesses.

The first was Ms. Madeline Bergin who had been Executive Director of BSAO since January 1992. Ms. Bergin spent considerable time reviewing documentary evidence that, in her view, supports the contention that the use by BBC of the name Big Brothers and Sisters of Canada, its official mark, has created confusion, particularly among potential donors who, in her perception, have been under the impression that, by giving to Big Brothers and Sisters of Canada, they were in fact contributing to BSAO as well as BSC. She testified that although BBC, in its use of Big Brothers and Sisters of Canada, had invariably in her experience asterisked the mark and indicated it to be an official mark of BBC, that only appeared in connection with the first use of Big Brothers and Sisters of Canada in any document or publication and not in connection with later use. She expressed the sense that, by reason of the use of the official mark, many regard BSAO as a "subsidiary" of Big Brothers and Sisters of Canada.

The Plaintiffs' second witness was Ms. Barbara Keenan who had been involved in the Big Sisters movement since 1978. She established the Northumberland County Big Sisters Agency and remained its executive director. She was active in the incorporation of BSAO and was its first president. She was also active in the incorporation of BSC and was a founding director. Ms. Keenan's evidence was largely historical.

The Plaintiffs' third witness was Ms. Karin Kuwahara who had been president of BSC since December of 1994 and active in advertising and public relations with BSC since December of 1990. Ms. Kuwahara acknowledged that BSC has no agreement with BSAO regarding the use of the Big Sisters of Canada official mark and that BSAO exercised no control over the use of the mark by BSC. Ms. Kuwahara gave anecdotal evidence of mistake or confusion¹ arising out of the use by BBC of the mark Big Brothers and Sisters of Canada. A considerable portion of her testimony in this regard was hearsay. I allowed the evidence to be given but undertook to consider what weight if any, should be accorded to it in the circumstances.

Ms. Kuwahara acknowledged on cross-examination that BSC had only eight agency members outside of Ontario and that all eight were west of Ontario. Two of the eight were joint agencies that

¹ "confusion" and its various forms are specialized terms in the context of the Trade-marks Act when applied to a trade-mark or trade-name. The term used in section 9 of the Act, in relation to official marks, is "mistaken". I have, in these reasons sometimes used "confusion" and its various forms in a non-technical sense since it is, in my view, more accurately descriptive of what was here occurring than "mistaken".

were also members of BBC.

The fourth witness for the Plaintiff was Mr. David Devan who had been president of BSAO since the end of 1992. He joined the Board of BSAO in 1990 to assist in fund raising and volunteer recruitment. His testimony largely centered on confusion on the part of others and difficulties that he had experienced on behalf of BSAO in volunteer recruitment and in fund raising by reason of confusion as to the relationship between Big Brothers and Sisters of Canada and BSAO.

The Plaintiffs' fifth witness was Ms. Marilyn Cummings who, at the time of the trial, had been Executive Director of Big Sisters of Ajax/Pickering for a number of years. Once again, her evidence largely went to a limited number of instances of confusion that she was aware of.

The Plaintiffs' last witness was Ms. Barbara Mustard who had been executive director of Big Sisters of Toronto since its founding in March of 1990. Ms. Mustard testified at some length as to the relationship between her agency and three other interrelated agencies in the Metro-Toronto area which had used, or still used, the term Big Sisters and which provide only counselling and related services. Ms. Mustard went on to give limited evidence of confusion from her experience arising out of the use of the mark Big Brothers and Big Sisters of Canada by BBC.

Before closing the Plaintiffs' case, counsel for the Plaintiffs read into the record a number of questions and answers from the transcripts of examinations of Mr. Allan Will, Executive Director of BBC from April of 1992 until the date of his examination in April of 1994, and of Frederick Maurice Rodgeron who, at the time of his examination on May 29, 1995, was past president and a member of the Board of Directors of BBC. He first joined the Board of BBC in 1988.

The Defendant called seven witnesses. The first was Dr. John W. Senders whose expert affidavit had been filed. Dr. Senders' qualifications are impressive. Indeed, he has apparently been providing expert evidence over many years. In *Mr. Submarine v. Voultsos*,² Mr. Justice Osler of the Ontario High Court of Justice wrote at page 273:

Professor John Warren Senders, a highly-qualified industrial engineer and psychologist who heads the Human Factors Group in the Department of Industrial Engineering at the University of Toronto, is an expert in the study of human perception, and especially of what is distinguishable and what is confusing to the human eye. He was called on behalf of the defendants, ...[He] gave his evidence with candour and considerable frankness.

Counsel for the Plaintiffs took no objection to Dr. Senders' qualification as an expert witness. In his affidavit, Dr. Senders described the opinion requested of him in the following terms:

8. I have been asked to give my opinion on the question of whether the use by Big Brothers of Canada (hereafter "BBC") of their Official Mark BIG BROTHERS AND SISTERS OF CANADA (hereafter "BBSC") would "cause or be likely to cause confusion between BBC's services and those of the plaintiffs" and whether BBSC "is a mark consisting of, or so nearly resembling as to be likely to be mistaken for, the Official Marks", BIG SISTERS and BIG SISTERS OF CANADA (hereafter "BSC"). These assertions of confusion were made in the Plaintiffs' Statement of Claim in paragraphs 25 and 26.

² (1977), 36 C.P.R. (2d) 270

9. I have also been asked to give my opinion on the claim made by the Plaintiffs that the name BIG SISTERS has "become associated with the Big Sisters movement in the minds of the Canadian public" and that the name BIG SISTERS has "become associated with the Big Sisters Association of Ontario (hereafter "BSAO") organization in the minds of the Canadian public" as set out in paragraphs 5 and 7 of the Plaintiffs' Statement of Claim.

Dr. Senders' conclusions are set out in his expert affidavit in the following terms:

35. It is my opinion that the Official Mark BBSC is very unlikely "to be mistaken for the 'Official Marks'" of the Plaintiffs.

36. It is my opinion that the Official Mark BBSC is very unlikely "to cause confusion between BBC's services and those of the Plaintiffs" (BSC and BSAO).

37. It is my opinion that the statement made by the Plaintiffs that "The name 'Big Sisters' has become associated with the Big Sisters movement in the minds of the Canadian public" may very well be correct; and that the statement that "the name Big Sisters has become associated with the BSAO organization in the mind of the Canadian public" is probably incorrect.

38. It is my opinion that the Official Mark BIG BROTHERS AND SISTERS OF CANADA is not so similar to the mark BIG SISTERS and BIG SISTERS OF CANADA, that people seeing the former will think that they are seeing the Plaintiffs' Official Marks, and will with high probability be reminded of the Plaintiffs. The data indicates the opposite.

39. I conclude that the Official Mark BIG BROTHERS AND SISTERS OF CANADA is perceived as a whole entity rather than as a composite of the individual words of which it is composed. It does not evoke, at an important level, the idea of either of the Plaintiffs or of the Defendant.

As noted by Mr. Justice Osler in *Mr. Submarine v. Voultsos*, before me, Dr. Senders "...gave his evidence with candour and considerable frankness." I conclude that I should give significant weight to his testimony. I will return to an explanation of my reasoning in this regard in the analysis portion of these reasons.

The Defendant's first non-expert witness was Mr. Richard Bassett, a member of the Board of BBC for five years and

President since July of 1995. Mr. Bassett's evidence related largely to the role of BBC, the nature of its member agencies and its use of the Official Mark BIG BROTHERS AND SISTERS OF CANADA which began, on an extensive basis, in March of 1993. At the time of the trial, BBC had 176 member agencies across Canada in all provinces and the Yukon Territory. 129 of its member agencies were joint agencies. One was a discrete big sisters agency. Two-thirds of its matches were big brothers with little brothers and one-third were big sisters with little sisters.

The Defendant's third witness was Mrs. Deborah Woods, a volunteer with eight years experience with Big Brothers and Big Sisters of Haldimand/Norfolk, and recently a member of the Board of that agency. Mrs. Woods testified from her experience as to the advantages of a joint agency that is capable of serving young girls and young boys from the same family.

The Defendant's fourth witness was Mr. Bruce MacDonald who had been the Director of Marketing for the Defendant for almost two years at the time of the trial. Mr. MacDonald gave evidence as to the fund-raising activities of BBC and its activities in seeking out sponsors for events or programs. He testified that fund-raising was done largely by mail solicitation with some face-to-face follow up while sponsorship solicitation was done largely through face-to-face meetings. He testified that during meetings, in his experience, a potential sponsor was always advised of the existence of the Plaintiffs, of their activities, and of the relationship or lack thereof between BBC and the Plaintiffs.

The Defendant's fifth witness was Maurice Rodgerson, identified earlier in these reasons as Frederick Maurice Rodgerson, a portion of whose testimony on examination for discovery was read into the record by counsel for the Plaintiffs. Mr. Rodgerson is from Prince Edward Island. He had been involved in fund-raising, recruitment and executive roles with the local joint agency since the 1970s. He had also served at the Atlantic regional level and at the national level where he was president of BBC from 1991 to 1993. He testified that the impetus to change BBC's name and to engage in extensive use of the official mark Big Brothers and Big Sisters of Canada arose in Atlantic Canada where all member agencies of BBC were joint agencies. He testified that the official mark reflects the reality in Atlantic Canada and helps with recruitment and fund-raising. From the summer of 1988 to March 1989 when it reported, Mr. Rodgerson was a member of the taskforce established by BBC to work jointly at improving relationships around the question of use of names and official marks. That taskforce is referred to in the Agreed Statement of Facts. He testified that the report of the taskforce reflected an atmosphere of distrust, uncertainty, confusion and suspicion then prevailing between BBC and the Plaintiffs.

The Defendant's sixth witness was Ms. Ruth Kelly of Edmonton. Ms. Kelly was a member of the Board of a discrete big sisters agency in Edmonton from 1986 until the merger of that agency with its equivalent big brother agency. The merger was apparently initiated by the big sisters agency. Since 1990, Ms. Kelly had served on

the Board of Big Sisters and Big Brothers of Edmonton and Area. Since July of 1995, she had also been a member of the Board of BBC and had been vice-president of BBC since July, 1996. Ms. Kelly spoke as a fervent advocate of joint agencies with common programming for little brothers and little sisters where appropriate, and discrete programming for other aspects of the services provided to little sisters and little brothers. The following exchange took place between counsel for BBC and Ms. Kelly:

Q. Is this dispute that we're dealing with today in court, is this a concern to you?

A. Well, quite frankly, aside from the main issues, this dispute would be meaningless to us, because this is an Ontario issue. This is not an Alberta issue. In Ontario, there are a lot of discrete agencies. I can understand why Big Sisters of Ontario exists. But I think outside of Ontario, this is a non-starter.³

The Defendant's last witness was Mr. Michael Howorth. In the mid-seventies, Mr. Howorth was a Big Brother in the Sudbury, Ontario area. From 1978 to 1984, he lived in Fredericton, New Brunswick where he was the part-time founding Executive Director of Big Brothers of Fredericton which, during his tenure, converted to a joint agency. From 1984 to 1991, Mr. Howorth was Executive Vice-President and later Executive Director of BBC. Mr. Howorth testified that, during his period of service in Fredericton, he had advocated a name change for BBC "to reflect the reality" that agencies in Atlantic Canada were joint. Upon coming to work for BBC, he became involved in the discussions around the name change for BBC and the efforts towards a dialogue on that subject between BBC and the Plaintiffs. He testified that the logo

³ Transcript pages 633 and 634.

used by BBC from the late 1970s until the time of adoption of the official mark Big Brothers and Sisters of Canada was male-gender specific. He testified that the logo in use since the adoption of the official mark was non-gender specific and was adapted to reflect the reality of the services provided across Canada by BBC.

THE ISSUES

Counsel for the Plaintiffs described the issues before the Court in the following terms:

ISSUE NO. 1

- (a) What test should be applied under section 9(1)(n)(iii) of the *Trade-marks Act* to determine whether any mark "consists of or so nearly resembles so as to be likely to be mistaken for" an official mark?
- (b) On the facts of this case, does the mark "Big Brothers and Sisters of Canada" consist of or so nearly resemble as to be likely to be mistaken for the plaintiffs' official marks "Big Sisters", "Big Sisters of Canada", and "Big Sisters Association of Ontario"?

ISSUE NO. 2

If this Court finds that the defendant's mark "Big Brothers and Sisters of Canada" consists of or so nearly resembles as to be likely to be mistaken for any or all of the plaintiffs' marks, is there any reason why this Court should conclude that the defendant's mark "Big Brothers and Sisters of Canada" is not a prohibited mark within the meaning of section 9(1) of the *Trade-marks Act*?

ISSUE NO. 3

What remedies are the plaintiffs entitled to?

ISSUE NO. 4

Does the defendant's use of the mark "Big Brothers and Sisters of Canada" contravene section 7(b) of the *Trade-marks Act*?

In their Statement of Claim, the Plaintiffs allege a contravention of paragraph 7(c) of the *Trade-marks Act*⁴ (the "Act") as

⁴ R.S. 1985, c. T-13 (as amended)

well as of paragraph 7(b) of the Act. At the opening of trial, the allegation with respect to paragraph 7(c) was abandoned.

Counsel for the Defendant acknowledged at the opening of his argument that the description of the issues on behalf of the Plaintiffs was appropriate and accurate.

THE STATUTORY FRAMEWORK

The following provisions of the Act are relevant to this matter:

2. In this Act,

....

"confusing", when applied as an adjective to a trade-mark or trade-name, means a trade-mark or trade-name the use of which would cause confusion in the manner and circumstances described in section 6;

...

"trade-mark" means

- (a) a mark that is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others,
- (b) a certification mark,
- (c) a distinguishing guise, or
- (d) a proposed trade-mark;

"trade-name" means the name under which any business is carried on, whether or not it is the name of a corporation, a partnership or an individual;

....

6. (1) For the purposes of this Act, a trade-mark or trade-name is confusing with another trade-mark or trade-name if the use of the first mentioned trade-mark or trade-name would cause confusion with the last mentioned trade-mark or trade-name in the manner and circumstances described in this section.

(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 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.

(3) The use of a trade-mark causes confusion with a trade-name if the use of both the trade-mark and trade-name in the same area would be likely to lead to the inference that the wares or services associated with the trade-mark and those associated with the business carried on under the trade-name are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

(4) The use of a trade-name causes confusion with a trade-mark if the use of both the trade-name and trade-mark in the same area would be likely to lead to the inference that the wares or services associated with the business carried on under the trade-name and those associated with the trade-mark are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

(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

- (a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;
- (b) the length of time the trade-marks or trade-names have been in use;
- (c) the nature of the wares, services or business;
- (d) the nature of the trade; and
- (e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

7. No person shall

....

(b) direct public attention to his wares, 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 wares, services or business and the wares, services or business of another;

...

9. (1) No person shall adopt in connection with a business, as a trade-mark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for,

...

(n) any badge, crest, emblem or mark

....

(iii) adopted and used by any public authority, in Canada as an official mark for wares or services, in respect of which the Registrar has, at the request of her Majesty or of the university of public authority, as the case may be, given public notice of its adoption and use;

....

(2) Nothing in this section prevents the adoption, use or registration as a trade-mark or otherwise, in connection with a business, of any mark

(a) described in subsection (1) with the consent of Her Majesty or

such other person, society, authority or organization as may be considered to have been intended to be protected by this section; or

...

11. No person shall use in connection with a business, as a trade-mark or otherwise, any mark adopted contrary to section 9 or 10 of this Act or section 13 or 14 of the *Unfair Competition Act*, chapter 274 of the Revised Statutes of Canada, 1952.

...

50. (1) For the purposes of this Act, if an entity is licensed by or with the authority of the owner of a trade-mark to use the trade-mark in a country and the owner has, under the licence, direct or indirect control of the character or quality of the wares or services, then the use, advertisement or display of the trade-mark in that country as or in a trade-mark, trade-name or otherwise by that entity has, and is deemed always to have had, the same effect as such a use, advertisement or display of the trade-mark in that country by the owner.

(2) For the purposes of this Act, to the extent that public notice is given of the fact that the use of a trade-mark is a licensed use and of the identity of the owner, it shall be presumed, unless the contrary is proven, that the use is licensed by the owner of the trade-mark and the character or quality of the wares or services is under the control of the owner.

...

53.2 Where a court is satisfied, on application of any interested person, that any act has been done contrary to this Act, the court may make any order that it considers appropriate in the circumstances, including an order providing for relief by way of injunction and the recovery of damages or profits and for the destruction, exportation or other disposition of any offending wares, packages, labels and advertising material and of any dies used in connection therewith.

From the foregoing, it can be seen that a mark protected under section 9 of the Act and more specifically, an "official mark" as that term is used in paragraph (n) of subsection (1) of that subsection, may be a trade-mark under paragraph (a) of the definition "trade-mark" but is not necessarily so and is certainly not specifically included in that definition as are certification marks, distinguishing guises and proposed trade-marks. On the facts of this case, the official marks Big Sisters Association of Ontario and design, Big Sisters, Big Sisters of Canada and Big Brothers and Sisters of Canada would all appear to be "trade-names" and, in some uses, trade-marks.

THE POSITIONS OF THE PARTIES

The Position of the Plaintiffs

On the first part of the first issue identified under the summary of the issues provided earlier in these reasons, that is to say, what test should be applied under subparagraph 9(1)(n)(iii) of the Act to determine whether a mark consists of or so nearly resembles so as to be likely to be mistaken for an official mark, counsel for the Plaintiffs took the position that first, under section 9 of the Act, the test is one of straight comparison. Second, he argued that, against the test of straight comparison, the issue is resemblance; third, resemblance amounts to "almost the same as" or "substantially similar to", and finally, under section 9, counsel argued that the factors to be considered in determining whether trade-marks or trade-names are confusing, as enumerated in subsection 6(5) of the Act, are irrelevant for the purposes of section 9.

In *The Queen v. Kruger*,⁵ an opposition proceeding in respect of a section 9 mark, the learned Registrar of Trade-marks wrote at page 139:

It remains to be decided whether the adoption as a trade mark by the applicant of the mark CANASPORT & Design so nearly resembles the mark SPORT CANADA as to be likely to be mistaken therefor. ...A person familiar with the opponent's mark but having an imperfect recollection thereof would not be likely to mistake the applicant's mark therefor.

In some respects the protection provided under s-s. 9(1)(n)(iii) is broader than the protection afforded by way of tests for confusion and in other respects the resemblance test provided by s-s. 9(1)(n)(iii) is narrower than the test for confusion in s. 6 of the *Trade Marks Act*. If the mark in use by a person so nearly resembles the prohibited mark as to be mistaken

⁵ (1978), 44 C.P.R. (2d) 135.(R. of T.M.)

therefor, the use of that mark may be prohibited even in those cases where there is no likelihood of confusion. The test under s-s. 9(1)(n)(iii) is restricted to resemblance between the prohibited mark and the adopted mark. In determining the likelihood of confusion under s.6 reference is had to all the surrounding circumstances including those set out in s-s. 6(5) of the *Trade Marks Act*, the degree of resemblance between the marks is only one of numerous surrounding circumstances taken into consideration.
[underlining added by me for emphasis]

In *Canadian Olympic Assn. v. Konica Canada Inc.*⁶, Mr. Justice Denault wrote at page 65:

Furthermore, it was established by the Registrar in *The Queen v. Kruger* ..., that the resemblance test in s. 9(1)(n)(iii) of the Act is even less stringent than the test for confusion. Resemblance of the official mark and the adopted mark is the only factor to be considered, other considerations deemed relevant in trade mark cases, such as those listed in s.6(5) are not relevant in this case.

In *Canadian Olympic Assn. v. Health Care Employees Union of Alberta*⁷, Mr. Justice Rothstein wrote at page 19:

The important difference, in my assessment, are [sic] the words "Union of Alberta Health Care Employees" on the respondent's mark. Upon a close and careful look, these words would distinguish the respondent's mark from those of the appellant. However, in my opinion, a close and careful look is not the test to be applied. The question must be determined in the context of whether a person who, on a first impression, knowing one mark only and having an imperfect recollection of it, would likely be deceived and confused.

For this statement of the test, Mr. Justice Rothstein cites *Battle Pharmaceuticals v. British Drug Houses, Ltd.*⁸

Mr. Justice Rothstein's statement of the test was criticized in *Canadian Olympic Assn. v. Schwauss*⁹ where D.J. Martin,

⁶ (1990), 30 C.P.R. (3d) 60 (F.C.D.), appeal allowed on other grounds: (1991), 85 D.L.R. (4th) 719 (F.C.A.)

⁷ (1992), 46 C.P.R. (3d), 12 (F.C.T.D.)

⁸ (1945), 5 C.P.R. 71 (S.C.C.)

⁹ (1995), 61 C.P.R. (3d) 104 (T.M.O.B.)

a member of the Trade-Marks Opposition Board, wrote at page 109:

Finally, without a clear explanation, Mr. Justice Rothstein imported the test of "first impression and imperfect recollection" as applied to s. 6 of the Act to s. 9 of the Act.

I strongly disagree with Mr. Justice Rothstein's approach to s. 9 of the Act. The test of resemblance in s. 9 is not the same as the test for confusion set out in s. 6 of the Act. The test in s. 6 is a market-place test in which various circumstances are considered such as the inherent distinctiveness of the marks at issue, the extent to which they have become known and the natures of the wares, services and trades. The test in s. 9 is one of straight comparison of the marks at issue apart from any market-place considerations. As stated by Mr. Justice Denault in *Canadian Olympic Assn. v. Konica Canada Inc.* ... "Resemblance of the official mark and the adopted mark is the only factor to be considered...".

Following citation to me by counsel of the foregoing authorities, among others, the following exchange between the court and counsel is recorded at page 726 of the transcript in this matter:

HIS LORDSHIP: If I may, before you leave that point, Mr. Brown, going back to COA v. Schwauss, is it your submission then that the criticism of Mr. Justice Rothstein's analysis was correct or wrong?

MR. BROWN: Wrong.

HIS LORDSHIP: The criticism was wrong and Mr. Justice Rothstein's decision was consistent with Kruger.

MR. BROWN: Yes. Because, for example, on the test, the criticism is made that Mr. Justice Rothstein imported the test of first impression and imperfect recollection. Well, fine. The words 'first impression' don't seem to be used in other cases, but imperfect recollection is precisely the test that was articulated in Kruger. I suspect it's more quarrel over form than substance, if I can put it that way, in terms of the test.

Counsel then turned to the second portion of the first issue, that is whether, on the facts of this case, the Defendant's mark BIG BROTHERS AND SISTERS OF CANADA consists of, or so nearly resembles so as to be likely to be mistaken for, the three official marks of BSAO, that is, BIG SISTERS, BIG SISTERS ASSOCIATION OF ONTARIO and BIG SISTERS OF CANADA. Counsel urged that, on the basis of four factors, the foregoing question should be answered in the affirmative. The factors are a "straight comparison" of the marks; the rejection by Consumer and

Corporate Affairs Canada of the Defendant's proposed name change to Big Brothers and Sisters of Canada; Dr. Senders' survey evidence; and, finally, the evidence through the testimony of the Plaintiffs' witnesses and, to some extent the witnesses of the Defendant, of occasions of actual mistake or confusion.

Counsel acknowledged that the Defendant's mark is not the same as those of BSAO. He urged, nonetheless, that there are elements of substantial similarity. Each of the marks is a mere name. Only one of the marks includes design elements. All of the marks include a common word: "sisters". Two of the marks include a common descriptive element indicating geographic location, namely, "of Canada". On the basis of these factors, counsel urged me to conclude that there is substantial similarity between BBC's mark and BSAO's "family" of marks.

BBC applied to change its name to Big Brothers and Sisters of Canada. By decision letter, in July, 1990, Consumer and Corporate Affairs Canada rejected the application on the basis that the proposed new name was confusing with trade-names and trade-marks highlighted in a name search report. The highlighted marks included BSAO's family of marks. BBC applied for a reconsideration of the rejection. The decision on reconsideration confirmed the earlier decision. Judicial review of the confirming decision was sought in the Federal Court of Appeal. By decision dated October 8, 1992, the Federal Court of Appeal rejected the application for judicial review on procedural

grounds.¹⁰

Counsel urged:

...it would, to some extent, be inconsistent with public policy in my respectful submission, to have had a federal agency refuse a name change, a court, albeit on jurisdictional grounds, refusing an application to review that decision and then the defendant being able to avoid the impact of all of that by pulling out an official mark, which it knows - because other bodies have told it that -, is confusing or likely to be confusing with the Big Sisters of Canada and Big Sisters Association of Ontario.¹¹

Counsel urged that I should treat the survey evidence of Dr. Senders with caution on the basis that the survey methodology involved no direct comparison of BBC's mark with those of BSAO and on the basis of other methodological and procedural weaknesses in the conduct of the survey.

Counsel urged that:

...if one is to draw anything out of Dr. Senders' evidence, it is that, when shown the mark [BIG BROTHERS AND SISTERS OF CANADA/LES GRANDS FRÈRES ET LES GRANDES SOEURS DU CANADA] the respondents were as likely to evoke the name 'Big Sisters of Canada' as they were 'Big Brothers of Canada' and they evoked the name 'Big Sisters Association of Ontario' a significant number of times in comparison to the number of times they evoked Big Brothers of Canada.¹²

Counsel then reviewed a number of instances of actual mistake or confusion that, he alleged, were disclosed by the *viva voce* evidence.

Counsel summarized his argument in this regard with the conclusion that, when all of the evidence is taken together, the court should conclude that:

...there is evidence before it from which one can infer that there are instances where a person has mistaken one mark for another. ...Three of the four marks at issue in this case are mere names and it is important to remember that when assessing the evidence because, when a mark is a mere name, then any use of that mark, be it oral or be it written, is going

¹⁰ (1992), 145 N.R. 261 (F.C.A.)

¹¹ Transcript page 736.

¹² Transcript page 741.

to increase the likelihood of their being instances of mistake.¹³

Counsel then turned to the issue of whether, assuming BBC's mark so nearly resembles as to be likely to be mistaken for the marks of BSAO, there is any reason why this Court should not conclude that Big Brothers and Sisters of Canada is a prohibited mark. Counsel urged that there is no reason why the Court should not so conclude. He urged that BSAO's marks are enforceable as against BBC and, in particular, that BBC is precluded from arguing the unenforceability of BSAO's marks because the issue is not raised in the Statement of Defence as it stood at the time of trial. Counsel argued that the Plaintiffs are "public authorities" as that term is used in sub-paragraph 9(1)(n)(iii) of the Act and therefore are entitled to rely on their family of marks, as against BBC. In *Registrar of Trade Marks v. Canadian Olympic Association*,¹⁴ the following passage appears at pages 64 and 65:

In was counsel for the appellant's contention that, although the term "public authority" is not defined in the Act, the jurisprudence discloses that, in other contexts, a three-part test has been established in order to determine whether a body may be regarded as such:

- (a) there must be a duty to the public;
- (b) there must be a significant degree of governmental control, and
- (c) any profit earned must be for the benefit of the public and not for private benefit.

While the Court of Appeal does not appear to have specifically endorsed the three part test, it appears nonetheless to have adopted it.

Counsel urged that the fact that BSAO's three marks were noted to be "for services in Ontario" should not affect the

¹³ Transcript page 750.

¹⁴ (1982), 67 C.P.R. (2d) 59 (F.C.A.)

enforceability of the marks as against BBC, at least, in Ontario. Counsel further argued that the fact that BBC obtained publication of its official mark subsequent to the publication of the Plaintiffs' three marks cannot work against the enforcement of the Plaintiffs' three marks. Counsel argued that the lack of control by BSAO of BSC, the user of the mark BIG SISTERS OF CANADA, and the lack of any formal arrangement between BSAO and BSC regarding use of that mark, cannot work against the Plaintiffs since subsection 9(2) of the Act contemplates use on "consent" and not on the basis of the more formal arrangement with respect to trade-marks contemplated by section 50 of the Act. On this argument, counsel for the Defendant indicated he was in complete agreement with counsel for the Plaintiffs.

Finally, on this issue, counsel for the Plaintiffs took the position that any argument on behalf of the Defendant that the Plaintiffs cannot rely on their marks because of improper or inappropriate motivation in obtaining the publication of those marks, should simply be given no weight. He urged that the total context of the relationship between the Plaintiffs and the Defendant commencing as early as 1980 demonstrated no improper or inappropriate motivation on the part of the Plaintiffs.

After citing to me section 53.2 of the Act and related authorities that support the proposition that this Court has the authority to grant the reliefs being sought by the Plaintiffs and urging that the Court should grant those reliefs in all of the circumstances of this case,

counsel turned to the issue of whether the use by BBC of the mark BIG BROTHERS AND SISTERS OF CANADA contravenes paragraph 7(b) of the Act.

Counsel referred to *Asbjorn Horgard A/S v. Gibbs/Nortac Industries Ltd. et al*¹⁵ where Macguigan J.A., writing for the Court, stated at page 330:

Subsection 7(b) has 3 elements. It provides that no person shall (1) *direct public attention* to his wares, services or business (2) in such a way as to *cause* or be likely to cause *confusion* in Canada (3) at the *time he commenced so to direct attention* to them, between his wares, services or business and the wares, services or business of another.

Against the elements noted in the foregoing quotation, counsel urged that the evidence discloses: (1) BBC directed public attention to its wares and services; (2) in such a way as to cause or be likely to cause confusion in Canada; (3) at the time it commenced so to direct attention to them, between its wares and services and the wares and services of the Plaintiffs. Further, counsel argued, whether or not BBC's official mark is a trade-mark, is irrelevant. Paragraph 7(b) extends to activities such as those of BBC, he urged, whether or not public attention is directed through the use of a trade-mark.

THE POSITION OF THE DEFENDANT

Counsel for the Defendant, as indicated earlier in these reasons, adopted the statement of issues as presented by counsel for the Plaintiffs. He presented his argument against that statement of

¹⁵ (1987), 14 C.P.R. (3d) 314 (F.C.A.)

issues.

On the first element of issue 1, that is to say, what test should be applied under subparagraph 9(1)(n)(iii) to determine whether a mark "consists of, or so nearly resembles as to be mistaken for" an official mark, he argued:

The test, I submit, is: Would a reasonable person, with an imperfect recollection of the mark BIG SISTERS OF CANADA, upon seeing the mark BIG BROTHERS AND SISTERS OF CANADA, immediately, with that immediate impression, think that it is the same mark as BIG SISTERS OF CANADA?¹⁶

In support of this statement of the test, he cited *The Queen v. Kruger*¹⁷ and *Canadian Olympic Assn. v. Health Care Employees Union of Alberta*,¹⁸ both also referred to by counsel for the Plaintiffs and cited earlier in these reasons.

Counsel urged that the only provision of section 6 of the Act that is relevant for the purpose of subparagraph 9(1)(n)(iii) of the Act is paragraph 6(5)(e) which provides that one of the circumstances to be considered in determining whether trade-marks or trade-names are confusing is "...the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them."

He submitted that

"...the real difference of submissions between [those of counsel for the Plaintiffs] and what I am submitting to you now is this question of first impression, the question of first impression as opposed to looking at them

¹⁶ Transcript, page 800.

¹⁷ Supra, footnote 5

¹⁸ Supra, footnote 7

side by side."¹⁹

Counsel referred me to *Sum-Spec Canada Ltd. v. Imasco Retail Inc.*²⁰ where Mr. Justice Denault wrote at page 13:

The case-law has also established that "the first word or first syllable in a trade mark is far the most important for the purpose of distinction": *Conde Nast Publications Inc. v. Union des Éditions Modernes* (1979), 46 C.P.R. (2d) 183 at p. 188 (F.C.T.D.). In the present case the first words and syllables of the competing marks are not at all the same, so much so that the marks are visually and phonetically different.

Counsel urged that this is an appropriate element of the test and that, in the Defendants' mark "the first word or first syllable" that is important is the word "BROTHERS" which gives to the Defendant's mark a visual and phonetical distinction from BSAO's family of marks.

Counsel submitted that the evidence shows that the greater part of the Defendant's usage of its mark is in association with a fanciful adult/child logo and an asterisk leading to words indicating that the mark and logo are "the official mark of Big Brothers of Canada."

On the second portion of the first issue as defined on behalf of the Plaintiffs, whether on the facts of this case, the Defendant's mark so nearly resembles so as to be likely to be mistaken for BSAO's family of marks or any of them, counsel first argued that reliance on the decision of officials of the Department of Consumer and Corporate Affairs to reject the Defendant's name change would be inappropriate since that decision was based on an equivalent of the

¹⁹ Transcript page 802

²⁰ (1990), 30 C.P.R. (3d) 7 (F.C.T.D.)

section 6 of the Act test rather than a "resemblance" test, and further, that decision conflicted with an earlier decision by the same Ministry to incorporate Big Sisters of Canada in the face of the Defendant's official mark Big Brothers and Sisters of Canada which had earlier been published.

For the proposition that Consumer and Corporate Affairs Canada relied on an equivalent of a section 6 of the Act test in determining to reject the Defendant's application for a change of corporate name, rather than a "resemblance" or a "consisting of or so nearly resembling" test, counsel referred me to sections 13 and 20 of the Canada Business Corporations Regulations.²¹

Counsel then turned to the issue of the probity of Dr. Senders' survey evidence and related testimony and contrasted it with what he described as the "hearsay and double hearsay" evidence provided on behalf of the Plaintiffs dealing with alleged actual mistake or confusion on the part of third parties by reason of alleged similarity between the Defendant's official mark and the family of official marks of BSAO. He referred me to *Sun Life Assurance Co. of Canada v. Sunlife Juice Ltd.*²² in which Madame Justice MacFarland wrote at pages 248 and 249:

I accept the survey evidence tendered on behalf of the plaintiff as having been scientifically and impartially conducted. As to the admissibility of such surveys, I refer to the decision of Mr. Justice Dubé in the recent case of *Cartier Inc. v. Cartier Optical Ltd./Lunettes Cartier Ltée* ...[... (1988), 20 C.P.R. (3d) 68 at p.78] where he stated:

²¹ SOR/79-316, as amended.

²² (1988), 22 C.P.R. (3d) 244 (OHCJ)

As to the admissibility of such surveys as evidence of confusion in intellectual and industrial property actions, the jurisprudence has clearly ruled in the affirmative.

and he cites some seven cases as authority.

Without such evidence, how am I to otherwise determine whether there is likely to be confusion when it is the law as I understand it - that what I think personally is immaterial. ...

....

To attempt to make such a determination without regard to evidence of what others may think or have said would to my mind be nothing more than an exercise in pure judicial fantasy and of not much assistance at all. I am satisfied that the survey evidence led before me was most satisfactory, having been conducted by persons very highly skilled in the field.

Factual matters must be determined on the evidence and the only evidence before me was of a professionally conducted survey by experts in their field which was of greater assistance to the court than to proceed in the archaic fashion of parading any number of random witnesses before the court to perform precisely the same function as did the surveyor. The survey was far more efficient and beneficial to the court. In my view it is very cogent evidence.

Counsel also referred me to *Choice Hotels International Inc. v. Hotels Confortel Inc.*²³ where Mr. Justice Rouleau of this Court wrote at page 348:

In this case, the survey indicates that the majority of the average consumers of the services of the parties hereto who vaguely recall the mark COMFORT INN and who later see the mark CONFORTEL may think the latter is held by the same company as the former.

The report of Ms Ruth M. Corbin obviously is not binding on this court, which yields to no one in its assessment of the facts. However, this survey is a tool that we cannot dismiss, since it provides additional evidence that there is a reasonable risk of confusion between the appellant's COMFORT INN trade mark and the respondent's CONFORTEL trade mark evidence that the respondent was unable to contradict or even challenge.

Counsel acknowledged that the data from Vancouver, one of the five cities in Canada where Dr. Senders' survey was conducted, was flawed. He emphasized however that, even ignoring the Vancouver data, of those surveyed, 170 people in Halifax, Montreal, Toronto and Calgary, only two, when shown the card having the words

²³ (1996), 67 C.P.R. (3d) 340 (F.C.T.D.) (On appeal to the Federal Court of Appeal)

on it "Big Brothers and Sisters of Canada" or "Les Grands Frères et les Grandes Soeurs du Canada" responded with anything like "Sisters" or "Big Sisters" or "Big Sisters of Canada" or "Big Sisters Association of Ontario." From this, counsel suggested I should deduce that only two out of 170 people appropriately surveyed identified the Defendant's official mark as a mark "...so nearly resembling as to be likely to be mistaken for..." any of the family of marks of BSAO.

Counsel then turned to the second issue, that of enforceability against the Defendant on the assumption of a finding that the Defendant's mark so nearly resembles the marks of BSAO or any of them as to be likely to be mistaken for them or it. Counsel argued that BSAO's marks cannot be asserted against the Defendant because: first, the official mark BIG SISTERS OF CANADA was not used before public notice was given of its adoption and use; and secondly, BSAO acted with improper motives in adopting the official mark BIG SISTERS OF CANADA and procuring official notice of its adoption.

Counsel urged that the Defendant was not precluded from asserting unenforceability by reason of notice given in counsel's opening remarks at this trial, after the Defendant's counter-claim had been abandoned.

Counsel acknowledged that, on this issue, there might be some doubt as to whether any of the parties before the Court is a "public authority" but reiterated that that question was not an issue

between the parties. Counsel also indicated that he would not argue the issue of whether or not any or all of the parties were using their marks in connection with a business or whether the restriction in respect BSAO's three marks "for services in Ontario" was of any consequence. Finally, counsel acknowledged that the Defendant was not relying on a concept of "unauthorized licensing" for the purpose of the section 9 argument. Counsel acknowledged that consent, rather than licensing, was the relevant issue for the purposes of section 9 of the Act.

On the issue of adoption and use before publication, counsel referred me to *Canadian Olympic Association v. Donkirk International Inc.*²⁴ where, at page 307, Mr. Justice Teitelbaum wrote:

On the basis of the submissions made, counsel for both plaintiff and defendant agree that in order for a mark to receive the protection of section 9, the mark had to be adopted and used in Canada before the registrar gave public notice of the mark's adoption and use.

The proceeding before Mr. Justice Teitelbaum was an application for an interlocutory injunction. On the issue of adoption and use, Mr. Justice Teitelbaum concluded at page 309:

I am satisfied, that for the present proceedings only, I can and I do accept that both marks were adopted and used before the publication of the public notice under s.9(1)(n)(iii) of the *Trade Marks Act*.

Counsel noted that, in relation to the mark BIG SISTERS OF CANADA, the date of publication was April 2, 1986. He submitted that there was no evidence of use in association with wares or services prior to that date.

²⁴ (1987), 17 C.P.R. (3d) 299 (F.C.T.D.)

On the issue of improper motive, counsel argued that the evidence is clear that the plaintiff Big Sisters Association of Ontario petitioned the Registrar of Trade-marks to give notice of adoption and use of the official mark BIG SISTERS OF CANADA "...to thwart, to preempt..." actions of the Defendant of which Big Sisters Association of Ontario was fully cognizant. In support of this submission, counsel cited a letter dated June 18, 1986 from the then president of Big Sisters Association of Ontario to the president of Big Brothers of Canada in which it is written:

...the provincial Board of Directors [of Big Sisters Association of Ontario] has taken initiative in the following areas in response to the proposed corporate name change of Big Brothers of Canada:

...

- 3) expressed our concern to the Federal Government's Trademark agency should an application be forthcoming from Big Brothers of Canada. (April 16, 1986, Consumer & Corporate Affairs)
- 4) acquired the trademark 'Big Sisters of Canada' and 'Big Sisters'. (April 24, 1986)

...

We elected to take these actions as it is in our best interest to confirm our identity as Big Sisters, prior to the commencement of our first province-wide fund-raising and public relations campaign. This action furthers our commitment to maintain the delivery of high quality service to girls and young women in our communities.²⁵

...

[underlining added by me for emphasis]

Counsel referred me to *Insurance Corporation of British Columbia v. Registrar of Trade Marks*²⁶ where Mr. Justice Cattanach undertook a review of section 9 of the Act commencing with the following paragraph at page 5:

²⁵ Joint Exhibit Book, Volume 4 - Tab 152, and Agreed Statement of Facts, para. 42.

²⁶ (1979), 44 C.P.R. (2d) 1 (F.C.T.D.)

I do so being mindful that in all cases the intention of the Legislature must depend to a great extent upon the particular object of the statute, or in some instances a particular section within the statute, that has to be construed. Of course, that intention is to be determined as expressed by the words used but to understand those words it is material to know the subject-matter with respect to which they are used and the object in view.

At pages 13 and 14 he concludes in the following terms:

Clearly s. 9(1)(n)(iii) contemplates the use of an official mark which a public authority has seen fit to adopt to be a use exclusive to that authority. The purpose of the Registrar giving public notice of that adoption and use of an official mark is to alert the public to that adoption [sic] as an official mark by the public authority to prevent infringement of that official mark. It does not, in my view, for the reasons previously expressed bestow upon the Registrar any supervisory functions.

I fully realize the consequences [sic]. A public authority may embark upon a venture of supplying wares and services to the public and in so doing adopt an official mark. Having done so then all other persons are precluded from using that mark and, as a result of doing so, on its own initiative, the public authority can appropriate unto itself the mark so adopted and used by it without restriction or control other than its own conscience and the ultimate will of the electorate expressed by the method available to it. [underlining added by me for emphasis]

Here, counsel argued, Big Sisters of Ontario acted without conscience, to the detriment of the Defendant and consciously seeking to impose that detriment. Counsel argued that this amounted to an abuse of the Act that this Court should not countenance.

On the issue of remedy, without acknowledging that the Plaintiffs should be entitled to any remedy, counsel for the Defendant acknowledged that this Court's authority under section 53.2 of the Act is broad enough to encompass the remedies being sought by the Plaintiffs. Counsel pointed out that the authority of the Court in respect of remedies is discretionary and urged that, in any event, an injunction should not flow against the use of the mark BIG BROTHERS AND SISTERS OF CANADA in light of the impact that such a remedy would have on the positive work across Canada of the Defendant and its

member agencies or, in the alternative, if an injunction is to issue, it should not extend to the use of the mark BIG BROTHERS AND SISTERS OF CANADA in association with the Defendant's logo of an adult and child and the use of an asterisk designating the mark as an official mark of Big Brothers of Canada.

Counsel then turned to the final issue, whether or not the actions of the Defendant constitute a contravention of paragraph 7(b) of the Act. Counsel described paragraph 7(b) as "...a statutory extension of the common law of passing-off." He referred me to *Ciba-Geigy Canada Ltd. v. Apotex Inc.*²⁷ where Mr. Justice Gonthier wrote at page 297:

The three necessary components of a passing-off action are thus: the existence of goodwill, deception of the public due to a misrepresentation and actual or potential damage to the plaintiff.

On the issue of "deception of the public due to misrepresentation" or, in the terms of paragraph 7(b) of the Act, "confusion", counsel referred me to section 6 of the Act and the factors that are there set out for consideration in determining whether a trade-mark or trade-name is confusing with another trade-mark or trade-name for the purposes of the Act. Counsel urged that there was no evidence before the Court that persons were led to believe that services being provided by the Plaintiffs and by the Defendant were being provided by the same person.

²⁷ (1992), 44 C.P.R. (3d) 289 (S.C.C.)

Counsel argued that the mark BIG SISTERS OF CANADA is not inherently distinctive or, if it is, it is only so because of the word "Sisters" and from that, the court should conclude that BIG BROTHERS AND SISTERS OF CANADA is also distinctive because of the use of the word "Brothers". He urged that, in trade-mark usage, the trade-mark actually used by Big Sisters of Canada has been, since 1993, the words BIG SISTERS OF CANADA together with a stylized heart logo whereas the trade-mark usage of BIG BROTHERS OF CANADA has been BIG BROTHERS AND SISTERS OF CANADA in conjunction with an adult and child logo. Against the marketplace test that is appropriate under paragraphs 7(b), he urged that the actual trade-mark usage could not possibly result in confusion.

As to the length of time the marks have been in use in the trade-mark sense of "use", counsel took the position that BIG BROTHERS AND SISTERS OF CANADA was first used in the summer of 1990 whereas BIG SISTERS OF CANADA, which was not incorporated until 1989, did not engage in use of BIG SISTERS OF CANADA until some months later. He urged that the evidence shows that use of BIG BROTHERS AND SISTERS OF CANADA was, until at least the early months of 1993, more extensive than the use of BIG SISTERS OF CANADA. In the result, for the purposes of paragraph 7(b) of the Act, counsel concluded that the rights of the Defendant are paramount to the rights of the Plaintiffs.

On the question of existence of goodwill, or, in the

words used in *Ciba-Geigy Canada Ltd. v. Apotex Inc.* quoted earlier, "good will", counsel pointed out that the Plaintiff BSAO has never used the mark BIG SISTERS OF CANADA and therefore could not have a reputation or goodwill associated with the mark. Further, since BIG SISTERS OF CANADA had no license that could conceivably meet the requirements of section 50 of the Act, or its antecedent registered-user regime when it applied, BSC could have no rights and therefore no reputation or goodwill associated with the mark.²⁸

ANALYSIS

For ease of reference, I repeat here the relevant portions of Section 9 of the Act:

9.(1) No person shall adopt in connection with a business, as a trade-mark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for,

....

(n) any badge, crest, emblem or mark

....

(iii) adopted and used by any public authority, in Canada as an official mark for wares or services in respect of which the Registrar has, at the request of Her Majesty or of the university of public authority, as the case may be, given public notice of its adoption and use;

...

(2) Nothing in this section prevents the adoption, use or registration as a trade-mark or otherwise, in connection with a business, of any mark

(a) described in subsection (1) with the consent of Her Majesty or such other person, society, authority or organization as may be considered to have been intended to be protected by this section; or

....

Two issues were before the Court in this matter but

²⁸ See Harold J. Fox, *The Canadian Law of Trade-Marks and Unfair Competition*, 3rd edition, (Toronto: Carswell Company Ltd., 1972) at 283 and 612.

were not in dispute between the parties and therefore are not open to me to decide. Nonetheless, I wish to note them because I regard them as issues of some import on which the outcome would not have been clear on the evidence and argument before me.

The first is the issue of whether or not the parties to this litigation are "public authorities" for the purposes of section 9 of the Act. In *Registrar of Trade Marks v. Canadian Olympic Association*,²⁹ Mr. Justice Urie, speaking for a three-member panel of the Federal Court of Appeal, impliedly adopted the argument that, to be regarded as a public authority, a body must be under a duty to the public, must be subject to a significant degree of governmental control and must be required to dedicate any profit earned for the benefit of the public and not for private benefit. On the facts before me, the parties to this litigation were clearly dedicated to the public good, but I am not sure that they were under a "duty" to the public. Nor does the evidence disclose that they were subject to a significant degree of governmental control. As not-for-profit corporations, I am satisfied that they met the third element of the test.

In *Ontario Federation of Anglers and Hunters v. F.W. Woolworth Co.*,³⁰ a decision of the Trade-marks Opposition Board, the following passage appears at pages 274 and 275:

The applicant submitted that the opponent's first ground could not be considered because the opponent did not qualify as a public authority as defined by the Federal Court of Appeal in *Canadian Olympic Assn. v. Canada (Registrar of Trade Marks)* I do not agree. The Registrar

²⁹ Supra, footnote 14

³⁰ (1991), 39 C.P.R. (3d)(272 (T. M. O. B.)

presumably already determined that the opponent was a public authority when he gave notice of the adoption and use of the opponent's official mark. Just as it is not necessary for the opponent to evidence adoption and use of its official mark, the opponent is not required to re-evidence its status as a public authority. In my view, the notice given by the Registrar is akin to a trade mark registration to the extent that its validity cannot be challenged in opposition proceedings. [citation omitted, underlining added by me for emphasis]

I have some concern regarding extension of the foregoing principle to proceedings in this Court. Section 9 of the Act grants extraordinary protection. In *Insurance Corporation of British Columbia v. Registrar of Trade-Marks*,³¹ Mr. Justice Cattnach, in a portion of his reasons quoted earlier in these reasons, but repeated here for ease of reference, wrote:

Clearly s.9(1)(n)(iii) contemplates the use of an official mark which a public authority has seen fit to adopt to be a use exclusive to that authority. The purpose of the Registrar giving public notice of the adoption and use of an official mark is to alert the public to that adaption [sic] as an official mark by the public authority to prevent infringement of that official mark. It does not, in my view, for the reasons previously expressed bestow upon the Registrar any supervisory functions.

I fully realize the consequences [sic]. A public authority may embark upon a venture of supplying wares and services to the public and in so doing adopt an official mark. Having done so then all other persons are precluded from using that mark and, as a result of doing so, on its own initiative, the public authority can appropriate unto itself the mark so adopted and used by it without restriction or control other than its own conscience and the ultimate will of the electorate expressed by the method available to it. [underlining added by me for emphasis]

Against the finding of lack of supervisory authority on the part of the Registrar of Trade-marks, particularly in circumstances such as those before me where it is not clear on the evidence before the Court that the parties, or any of them, is, or ever was, a public authority, I seriously question the propriety of this Court, without further evidence, simply relying on publication of a notice of adoption and use as proof that a body was, at the time of publication, and remains, a public

³¹ Supra, footnote 26

authority.

The second point that I wish to note relates to the concept in subsection 9(2) of the Act of consent to adoption, use or registration as a trade-mark or otherwise, in connection with a business, of an official mark. Subsection 9(2), by contrast with section 50 of the Act dealing with licensing of trade-marks, provides for no formalities to evidence the consent and its continuing nature. On the evidence before me in this matter, BSAO procured the publication by the Registrar of Trade-marks of notice of adoption and use of the mark BIG SISTERS OF CANADA. For all intents and purposes, the evidence discloses that the use of the mark has been virtually exclusively by BSC. The evidence of consent to such use lies only in the fact that BSAO has obviously been aware of the use, and there is certainly no evidence that any objection to the use has been taken, and in the fact that a representative of BSAO sits on the Board of BSC. I do nothing more at this time than simply express a concern that publication of a mark, extending the scope of protection that is provided by section 9 of the Act, should authorize the body procuring publication of the mark to effectively "license" the mark by mere consent unevicenced by any documentation and without any evidence of a semblance of control over its use.

I turn now to the issues raised by counsel for the Plaintiffs and as adopted by counsel for the Defendant.

ISSUE NO. 1

- (a) What test should be applied under section 9(1)(n)(iii) of the *Trade-marks Act* to determine whether any mark "consists of or so nearly

resembles so as to be likely to be mistaken for" an official mark?

Counsel before me were essentially in agreement that the test for determining whether the official mark BIG BROTHERS AND SISTERS OF CANADA adopted by the Defendant is a "...mark consisting of, or so nearly resembling as to be likely to be mistaken for..." the official marks of BSAO or any of them is one of resemblance. Clearly, the Defendant's mark is not identical to the marks of BSAO. The issue then is whether or not the Defendant's mark is almost the same as, or substantially similar to any or all of BSAO's marks. Counsel were in agreement that the issue as stated in *The Queen v. Kruger*³² as to whether a "person familiar with [BSAO's] marks [or any of them] but having an imperfect recollection thereof would ...be likely to mistake the [Defendant's mark therefor]" is correct. I agree. Further, I am satisfied that the statement of the test by Mr. Justice Rothstein in *Canadian Olympic Assn. v. Health Care Employees Union of Alberta*³³ is nothing more than a useful restatement of the *Kruger* test and does not vary from the *Kruger* test. For ease of recollection, Mr. Justice Rothstein wrote:

The question must be determined in the context of whether a person who, on a first impression, knowing one mark only and having an imperfect recollection of it, would likely be deceived or confused.

I respectfully disagree with the conclusion of the learned member of the Trade-marks Opposition Board who, in *Canadian Olympic Assn . v. Schwauss*³⁴ disagreed with Mr. Justice Rothstein's statement of the

³² Supra, footnote 5

³³ Supra, footnote 7

³⁴ Supra, footnote 9

appropriate test.

I cannot accept the argument advanced on behalf of the Plaintiffs that the test is one of "straight comparison". The concept of "straight comparison" implies a close and careful look at or comparison between BSAO's marks and the mark of the Defendant. Such a close and careful look or comparison was specifically rejected by Mr. Justice Rothstein in *Canadian Olympic Assn. v. Health Care Employees Union of Alberta*.

In *Canadian Olympic Assn. v. Konica Canada Inc.*³⁵

Mr. Justice Denault wrote:

Resemblance of the official mark and the adopted mark is the only factor to be considered, other considerations deemed relevant in trade-mark cases, such as those listed in s.6(5) are not relevant in this case.

I do not regard this statement as precluding reference to paragraph 6(5)(e) of the Act which provides that, in determining whether trade-marks or trade-names are confusing, regard may be had to the degree of resemblance between the trade-marks and trade-names in appearance or sound or in the idea suggested by them. Thus, I do not agree with the submission of counsel for the Plaintiffs that subsection 6(5), and particularly the factors enumerated therein, are totally irrelevant for the purposes of this matter. That being said, however, I am not satisfied that reference to the terminology of paragraph (6)(5)(e) of the Act adds anything to the test as enunciated in *Kruger* and *COA v. Health Care*

³⁵ Supra, footnote 6

Employees Union of Alberta.

- (b) On the facts of this case, does the mark "Big Brothers and Sisters of Canada" consist of or so nearly resemble as to be likely to be mistaken for the plaintiffs' official marks "Big Sisters", "Big Sisters of Canada", and "Big Sisters Association of Ontario"?

Counsel for the Plaintiffs urged that I should answer this question in the affirmative on the basis of four factors: first, a "straight comparison" of the marks; second, the rejection by the Department of Consumers and Corporate Affairs of the Defendant's name change to Big Brothers and Sisters of Canada; third, Dr. Senders' survey evidence and, finally, the *viva voce* evidence of other witnesses who appeared at trial.

For reasons just given, I reject the argument on behalf of the Plaintiffs based upon a "straight comparison" of the Defendant's mark and BSAO's marks. However, if I considered a straight comparison to be relevant, I would conclude that no mistake or confusion is likely to arise between the Defendant's and BSAO's BIG SISTERS ASSOCIATION OF ONTARIO & DESIGN mark or BIG SISTERS mark. Put another way, I am satisfied that the Defendant's mark does not so nearly resemble either of those two marks of BSAO as to be likely to be mistaken for either. I would, however, reach a different conclusion on a straight comparison of BIG BROTHERS AND SISTERS OF CANADA and BSAO's mark BIG SISTERS OF CANADA, if that were the test. I am conscious of the quotation from *Sum-Spec Canada Ltd. v. Imasco Retail Inc.*³⁶ which appears earlier in these reasons and which I repeat here for ease

³⁶ Supra, footnote 20

of reference:

The case-law has also established that "the first word or first syllable in a trade mark is far the most important for the purpose of distinction"

The first substantive word in the Defendant's mark is "BROTHERS" which contrasts markedly with the first substantive word "SISTERS" in the mark BIG SISTERS OF CANADA. That being said, in all other respects, the marks are almost identical. However, once again, I conclude that a straight comparison test is not applicable in determining resemblance that is likely to lead to mistake, for the purposes of subsection 9(1) of the Act.

I give no weight to the rejection by the Department of Consumer and Corporate Affairs of the Defendant's proposed name change to Big Brothers and Sisters of Canada. The evidence before me does not disclose that the rejection was based on an appropriate test for the purposes of subsection 9(1) of the Act. Rather, it would appear that the rejection was based on a test much more equivalent to the test for determining whether trade-marks or trade-names are confusing, a test that counsel for the Plaintiffs urged was inappropriate to a claim based on section 9 of the Act, an argument with which I am in substantial agreement.

Counsel for the Plaintiffs urged that Dr. Sender's survey evidence should be treated with caution in that its results were derived from a methodology that was less than ideal and reflected difficulties or weaknesses in implementation of the methodology adopted

and weaknesses in interpretation of the data collected. That being said, I am satisfied that the survey was designed to reflect the appropriate test, not a straight comparison test but rather a test of resemblance and imperfect recollection. I repeat for convenience sake one paragraph from the quotation from *Sun Life Assurance Co. of Canada v. Sunlife Juice Ltd.*³⁷ which appears earlier in these reasons:

Factual matters must be determined on the evidence and the only evidence before me was of a professionally conducted survey by experts in their field which was of greater assistance to the court than to proceed in the archaic fashion of parading any number of random witnesses before the court to perform precisely the same function as did the surveyor. The survey was far more efficient and beneficial to the court. In my view it is very cogent evidence.

Here, the survey evidence was not the only evidence before me. It was, however, I conclude, the best evidence before me for reasons that I will shortly and briefly describe. I would summarize its impact thus: the survey evidence demonstrates, albeit on the basis of a survey that was hurriedly conducted with significant difficulties or weaknesses in implementation, that on the basis of imperfect recollection the Defendant's mark does not so closely resemble BSAO's marks or any of them as to be likely to be mistaken for all or any of those marks.

The *viva voce* evidence presented before me on behalf of the Plaintiffs, together with the supporting documentary evidence, to the extent that it disclosed actual mistake or confusion based on resemblance and an imperfect recollection, was substantially or wholly evidence interpreted through the eyes and ears of those associated with the Plaintiffs who, I am satisfied the evidence discloses,

³⁷ Supra, footnote 22

were pre-disposed to find mistake and confusion wherever they might conceivably perceive it. Such evidence was, I conclude, invariably or at least almost invariably, consistent with mistake or confusion not based on resemblance of the marks but rather on factors irrelevant to my decision under section 9 of the Act.

In conclusion on this aspect of this matter, the onus to establish mistake or confusion based on resemblance was on the Plaintiffs. I am satisfied that the evidence adduced simply does not discharge that onus. The decision of the Department of Consumer and Corporate Affairs to reject the Defendant's proposed name change is relevant but, I conclude, of no weight. The evidence of the Plaintiffs' witnesses, except where supported by documentation, was unreliable on the question of mistake or confusion, despite the obvious sincerity of the witnesses. Where supported by documentation, I found that evidence to be often ambivalent. It was open to the Plaintiffs to bring direct evidence from those alleged to have been led into mistake or confusion, but such evidence was not forthcoming. Equally, it was open to the Plaintiffs to bring their own independent survey evidence and they chose not to do so. While Dr. Senders' survey evidence was of less value than it might have been if more time and resources had been available for the conduct of the survey, it was, I conclude, the best evidence before me. It supports the position of the Defendant and not of the Plaintiffs.

In the result, I would answer this issue question in the negative.

ISSUE NO. 2

If this Court finds that the defendant's mark "Big Brothers and Sisters of Canada" consists of or so nearly resembles as to be likely to be mistaken for any or all of the plaintiffs' marks, is there any reason why this Court should conclude that the defendant's mark "Big Brothers and Sisters of Canada" is not a prohibited mark within the meaning of section 9(1) of the *Trade-marks Act*?

In light of the conclusions that I have reached on the two aspects of Issue 1, I need not turn to the issue of enforceability. However, for sake of completeness and in the event of an appeal of my decision in this matter, I will do so briefly.

Counsel for the Plaintiffs urged that the Defendant should not be permitted to argue that BSAO's marks are unenforceable as against the Defendant because, when the Defendant's counterclaim was abandoned at the opening of the hearing before me, the issue of unenforceability was left unpleaded. While technically that may be so, the issue was referred to in the opening statement of counsel for the Defendant. Rule 420 of the *Federal Court Rules*³⁸ contemplates amendment of pleading "...at any stage of an action" and makes specific reference to amendments "during or after trial". Here, the pleading of unenforceability was clearly evident to the Plaintiffs at all stages of this action up to the abandonment of the counterclaim at the opening of this trial. The abandonment had the effect of streamlining the trial in a manner that I conclude was in the interest of all parties. I am not prepared to see the Defendant thereby prejudiced. If the matter had been pressed at trial, I would have permitted an amendment at trial of the statement of defence to include the issue of unenforceability. I

³⁸ C.R.C. 1978, c. 663

concluded that the issue was not being pressed. I therefore conclude that it was open to the Defendant to argue unenforceability.

Counsel for the Defendant did not argue that BSAO's marks were unenforceable against the Defendant, as regards the claim under section 9 of the Act, by reason of improper licensing or by reason of the fact that BSAO's marks are designated in the notices published in the Trade Marks Journal as being only for services in Ontario. The first of these matters, the consent to use of the mark BIG SISTERS OF CANADA rather than the licensing of the mark, is referred to earlier in these reasons.

I place no weight on the fact that the Registrar of Trade-marks published the Defendant's mark after the publication of BSAO's three marks. I am satisfied that that particular sequence of events in no way inhibited enforceability of BSAO's marks against the Defendant.

As indicated earlier in these reasons, counsel for the Defendant argued that the Plaintiffs should be precluded from enforcing BSAO's marks against the Defendant by reason of the fact that the evidence establishes BSAO obtained the publication of its official marks on the basis of improper motivation. I reject this argument. As indicated early on in these reasons in the introduction, I do not question the motivation of any of those who found themselves entangled in the dispute that led up to this litigation, or indeed in the litigation itself.

The remaining question on the issue of enforceability relates to whether or not BSAO adopted and used the mark BIG SISTERS OF CANADA before the Registrar of Trade-marks gave public notice of its adoption and use in accordance with paragraph 9(1)(n) of the Act. As indicated earlier in these reasons, in *Canadian Olympic Association v. Donkirk International Inc.*,³⁹ Mr. Justice Teitelbaum wrote:

On the basis of the submissions made, counsel for both plaintiff and defendant agree that in order for a mark to receive the protection of section 9, the mark had to be adopted and used in Canada before the registrar gave public notice of the mark's adoption and use.

On the facts of the matter before him, Mr. Justice Teitelbaum found that the marks in issue were adopted and used before the publication of adoption and use. Impliedly, he appears to have accepted the submissions of counsel on this question. I can reach no other conclusion on the plain wording of paragraph 9(1)(n) of the Act that adoption and use as an official mark for wares and services prior to publication by the Registrar of public notice of adoption and use is a condition precedent to enforceability. The mere publication of notice of adoption and use is not, I conclude, conclusive before this Court of such adoption and use. Further, I conclude, the onus was on the Plaintiffs to establish such adoption and use in a trade-mark sense. The evidence before me fails to discharge that onus. In the result, I conclude that the mark Big Brothers and Sisters of Canada is unenforceable as against the Defendant.

It was conceded on behalf of the Defendant that the evidence before me established that the marks BIG SISTERS

³⁹ Supra, footnote 24

ASSOCIATION OF ONTARIO & DESIGN and BIG SISTERS were adopted and used before publication of notice of their adoption and use. Thus, I find no basis for concluding that those two official marks are unenforceable against the Defendant. Given my earlier conclusions, this particular conclusion is of no consequence.

ISSUE NO. 3

What remedies are the plaintiffs entitled to?

Counsel before me were in agreement that the authority of this Court under section 53.2 of the Act with respect to remedies is broad enough to encompass the remedies sought by the Plaintiffs that are reflected in the introduction to these reasons. Counsel for the Defendant emphasized the discretionary nature of the Court's authority in respect of remedies and urged that an injunction should not be granted in light of the impact that such a remedy would have on the capacity of the Defendant to carry out its valuable work across Canada. In the alternative, counsel for the Defendant urged that any injunction should be in narrow terms.

In light of my earlier conclusions, no remedies will be granted. However, if I had concluded in favour of the Plaintiffs, I would have been prepared to grant the declarations sought and a permanent injunction in the terms sought. I am not satisfied on the argument before me that an order striking out the publication of the official mark BIG BROTHERS AND SISTERS OF CANADA published by the Registrar of Trade-marks is warranted.

ISSUE NO. 4

Does the defendant's use of the mark "Big Brothers and Sisters of Canada" contravene section 7(b) of the *Trade-mark Act*?

For ease of reference, I repeat again here the relevant portions of section 7 of the Act:

7. No person shall

....

(b) direct public attention to his wares, 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 wares, services or business and the wares, services or business of another;

...

As indicated earlier in these reasons, in *Asbjorn Horgard A/S v. Gibbs/Nortac Industries Ltd. et al*⁴⁰, MacGuigan J.A. wrote:

Subsection 7(b) has 3 elements. It provides that no person shall (1) *direct public attention* to his wares, services or business (2) in such a way as to cause or be likely to cause *confusion* in Canada (3) at the *time he commenced so to direct attention* to them, between his wares, services or business and the wares, services or business of another.

Counsel for the Defendant characterized paragraph 7(b) as "...a statutory extension of the common-law of passing off." Authority for the proposition that paragraph 7(b) is a statutory statement of the common-law action of passing off is found in *MacDonald et al. v. Vapor Canada Ltd.*⁴¹ where Chief Justice Laskin wrote:

Section 7(b) is a statutory statement of the common-law action of passing off, which is described in Fleming on Torts *supra*, at p. 626 as "another form of misrepresentation concerning the plaintiff's business...which

⁴⁰ *Supra*, footnote 15

⁴¹ [1977] 2 S.C.R. 134

differs from injurious falsehood in prejudicing the plaintiff's goodwill not by deprecatory remarks but quite to the contrary by taking a free ride on it in pretending that one's own goods or services are the plaintiff's or associated with or sponsored by him". It differs from injurious falsehood in that "it is sufficient that the offensive practice be calculated or likely, rather than intended, to deceive.

Chief Justice Laskin's characterization of paragraph 7(b) has been, I think, at least impliedly, adopted followed in *Asbjorn Horgard, supra*, and *Dumont Vins & Spiritueux Inc. v. Selliers du Monde Inc.*,⁴² and more recently clearly adopted in *Enterprises Rent-A-Car Co. v. Singer et al.*⁴³ By contrast, in *Westfair Foods Ltd. v. Jim Pattison Industries Ltd.*,⁴⁴ the British Columbia Court of Appeal held that, although paragraph 7(b) is a codification of the common-law of passing off, there is nonetheless a distinction between the two.

Whatever may be the case, I accept the characterization of paragraph 7(b) offered by counsel for the Defendant.

I conclude that, in the case of the Plaintiff BSAO, the evidence simply fails to show that any goodwill in respect of the mark BIG SISTERS OF CANADA exists in that Plaintiff or that any confusion could arise. The evidence establishes no trade-mark use whatsoever of the mark BIG SISTERS OF CANADA by BSAO. In the circumstances, BSAO cannot, on the basis of its own use, assert paragraph 7(b) of the Act against the Defendant. No confusion in Canada could possibly result from the Defendant directing attention to its services or business through

⁴² [1992] 2 F.C. 634 C.A.

⁴³ [1996] 2 F.C. 694 (T.D.)

⁴⁴ (1990), 30 C.P.R. (3d) 174 (B.C.C.A.)

the use of the mark BIG BROTHERS AND SISTERS OF CANADA and the services and business of BSAO which has not used the mark BIG SISTERS OF CANADA. Further, I am satisfied that the use by BSAO of the marks BIG SISTERS ASSOCIATION OF ONTARIO & DESIGN and BIG SISTERS is insufficient to result in confusion or prejudicial effect on goodwill flowing from the use by the Defendant of the mark BIG BROTHERS AND SISTERS OF CANADA.

With respect to the Plaintiff Big Sisters of Canada, the evidence before me is clear that BSC first, does not use the marks BIG SISTERS ASSOCIATION OF ONTARIO & DESIGN and BIG SISTERS and second, is not licensed in conformity with section 50 of the Act, to use the mark BIG SISTERS OF CANADA, by the owner of that mark, BSAO. In the result, neither BSC nor BSAO can rely upon the use of the mark BIG SISTERS OF CANADA by BSC to assert that the Defendant's use of the mark BIG BROTHERS AND SISTERS OF CANADA contravenes paragraph 7(b) of the Act as against either of them.

In the result, I determine that the fourth issue question must be answered in the negative.

CONCLUSION

On the basis of the foregoing analysis, this action is dismissed.

The parties are urged to govern their conduct by reference to the spirit of the following quotation from the joint taskforce report referred to in paragraph 51 of the Agreed Statement of Facts that has been incorporated in these reasons: "If the long term picture of Big Brothers and Big Sisters is to be a positive partnership, the decision to change the name of Big Brothers of Canada must be carefully negotiated with all concerned and not simply be legislated in place." The name-change was not managed as well as the taskforce recommended. Greater efforts should be made to ensure that all aspects of the interaction of the parties in the future are better managed and coordinated for the benefit of those the parties strive to serve.

Judge

Ottawa, Ontario
April 3, 1997