

Date: 20090109

Docket: T-2150-06

Citation: 2009 FC 24

Ottawa, Ontario, January 9, 2009

PRESENT: The Honourable Madam Justice Simpson

BETWEEN:

**SALAM TORONTO PUBLICATIONS and
MOHSEN SEYED TAGHAVI**

Plaintiffs

and

**SALAM TORONTO INC.,
SALAM TORONTO IMMIGRATION SERVICES and
KAMRAN NAGHAVI o/a SALAM TORONTO**

Defendants

REASONS FOR JUDGMENT AND JUDGMENT

[1] The Plaintiffs' allege trademark infringement and depreciation of goodwill contrary to sections 19, 20 and 22 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act"). They also say that

the Defendants have used the trademark “Salam Toronto” in a manner which has caused confusion with the Plaintiff’s business contrary to section 7(b) of the Act.

THE PLAINTIFFS

[2] Mohsen Seyed Taghavi (the Plaintiff) is a journalist and the sole proprietor of “Salam Toronto Publications”. It has published a current affairs newspaper called “Salam Toronto” since October 2000 (the Newspaper). The Newspaper is unique in Toronto in that it is written in both Farsi and English. It is released on a weekly basis in hardcopy and on the internet. It includes Canadian news, foreign reports about Canadian news and advertisements of particular interest to Toronto’s Iranian community.

[3] The Plaintiff registered “Salam Toronto Publications” as a business name on January 5, 2001 and, as described below, he subsequently registered “Salam Toronto” as a trademark.

THE DEFENDANTS

[4] The trade name “Salam Toronto” (the Trade Name) was registered on February 20, 2002. An Ontario Business Names Report produced on November 2, 2006 describes “Salam Toronto’s” activity as “Iranian Community Information”. However, the evidence shows that the Trade Name is actually used in connection with the provision of immigration and settlement services (the Services). The Defendant Kamran Naghavi (the Defendant) is the sole proprietor of the business.

[5] Kamran Naghavi is also the administrator of Salam Toronto Inc. which was incorporated in Ontario on April 5, 2006.

[6] “Salam Toronto Immigration Services”, is another trade name used by the sole proprietorship registered by Kamran Naghavi as Salam Toronto. While there is no registration in evidence for the name “Salam Toronto Immigration Services”, it is clear that that name is being used by the defendants. It appears at the top of the home page of Salam Toronto’s website www.salamtoronto.org. As well, the evidence shows that a third trade name is sometimes used. It is “Salam Toronto Immigration and Settlement Services”.

A DEFAULT PROCEEDING

[7] The defendants failed to appear, failed to file a Statement of Defence and did not attend the trial. The Plaintiff, Mohsen Taghavi was the sole witness. His evidence was contained in a Fresh Affidavit sworn on September 4, 2008 which was marked as an exhibit at trial. That evidence was supplemented by oral testimony and exhibits.

[8] The Plaintiffs provided three affidavits of service to demonstrate that the defendants were served with the Statement of Claim. They were all sworn on December 18, 2006 by Ian MacIntyre who said that, on December 11, 2006, he served Salam Toronto Inc., Salam Toronto Immigration Services and Kamran Naghavi o/a Salam Toronto by leaving a copy of the Statement of Claim with

Kamran Naghavi. He acknowledged his identity and the fact that he was an officer of Salam Toronto Inc. and Salam Toronto Immigration Services. Service was effected at 648 Finch Avenue East, Suite 6. That address appears on the advertisements for Salam Toronto which are described below.

[9] I am also satisfied that the Defendant is aware of this proceeding because after the Statement of Claim was served, the Plaintiff met with the Defendant and, during their discussions, the Defendant acknowledged that he knew of this litigation.

[10] Because this a proceeding in default of defence, every allegation in the Statement of Claim is to be treated as if it had been denied and the Plaintiff is required to demonstrate on a balance of probabilities that his claims are made out.

THE PLAINTIFF'S TRADEMARK

[11] On February 20, 2004, the trademark Salam Toronto (the Mark) was registered in the Plaintiff's name as #TMA602,837 in association with wares described as "Newspapers published either in print, online or electronic form, and periodicals, namely magazines published either in print, online or electronic form." The right to the exclusive use of the word "Toronto" was disclaimed. "Salam" is a word in Farsi which translates as "hello" or "welcome".

THE ALLEGATIONS

[12] The Plaintiffs submit that the defendants have infringed the Mark by:

- (a) Using it in their domain names, www.salamtoronto.com and www.salamtoronto.org and generally on their websites;
- (b) Using it on the www.salamtoronto.org website specifically in association with the heading “news”;
- (c) Using it in their advertisements in newspapers published by the Plaintiff’s competitors;
- (d) Using it in their email address;
- (e) Using it on their stationary;
- (f) Using it in a telephone directory in a publication called Jadval (the Jadval Directory).

[13] I will deal with each alleged use in turn.

(a) **Using the Mark in Domain Names and Generally on Websites**

[14] The domain names/web addresses which the Plaintiff uses in association with his Newspaper are www.salamtoronto.net and www.salamtoronto.ca . The Plaintiff advised the Court that in September or October 2000 www.salamtoronto.com was registered on his behalf by an

acquaintance of his business partner. However, the licence was allowed to lapse. As a result, the Plaintiff lost the .com domain name and it was subsequently acquired by the Defendant.

[15] In 2002, when the Plaintiff first saw the Defendant's website www.salamtoronto.com, the homepage was under construction. It was entitled "Salam Toronto" at the top in large bold type. Below in large type, the words "Immigration and Settlement Services" appeared. Then a subheading read "Immigration Services". This was followed by a list of such services written in English. Below the list, contact information was provided.

[16] The Plaintiff testified that, just before trial, when he called up www.salamtoronto.com, the homepage simply said "Salam Toronto". That page stayed on the computer screen for about five to ten seconds. Thereafter, it automatically disappeared (i.e. without user intervention) and was replaced by a screen that said "Salam Toronto" and in smaller but clear type "an immigration firm". At this point a user could click on "enter" to continue.

[17] According to the Plaintiff, a click on "enter" brought him to the homepage of the Defendant's second web address which is www.salamtoronto.org. The homepage was entitled "Salam Toronto Immigration Services" and subtitled "an immigration firm". The page was covered with numerous headings and lists of topics related to immigration. Links to further information were provided. One such link was available at the heading "News".

(b) **Using the Mark Specifically in Association with the Heading “News”**

[18] Below the heading, “News” reference was made to an article dated September 18, 2003 about transitional rules for the IRPA (the *Immigration and Refugee Protection Act*, S.C. 2001, c. 27).

[19] When the Plaintiff pursued the link to news, five printed pages of news became available. Pages 2-5 were the five year old article referred to above and page 1 was an article written in early 2005. The Plaintiff testified that his newspaper deals only with current events and would not include such outdated articles.

(c) **The Advertisements**

[20] The three advertisements (the Ads) were written in a mixture of Farsi and English. The Plaintiff provided translations during his testimony.

[21] One of the ads appeared at page 21 of a publication called Iran Star on Friday, October 5, 2007 (the First Ad). The Plaintiff testified that the First Ad had appeared weekly in Iran Star since 2005. The First Ad began with the words “Salam Toronto” in large bold type. Underneath, at the side and in relatively small print, the word .com appeared. The space below showed a picture of the Toronto skyline. The next line of print on the ad was also in bold type. It was in Farsi but the Plaintiff translated it as “Immigration to Canada”.

[22] This heading was followed by twelve bullet points in Farsi which, when translated, read:

- (a) Independent
- (b) Commercial
- (c) Relatives
- (d) Refugees
- (e) Tourism
- (f) Work
- (g) Extended stay in Canada
- (h) Settlements for newcomers
- (i) All matters of translations
- (j) Admission for students in less than four months
- (k) Citizenship inquiries

[23] A picture of the Defendant (the Photo) formed the background for the lower half of the ad. The Plaintiff said that it is a true likeness of the Defendant. The ad indicated that the business was located at 648 Finch Avenue East, Suite 6 in North York, Ontario. There was no evidence about Iran Star's circulation or about how frequently and in what locations it was distributed.

[24] Under the Defendant's name which appeared as Kamran Naghavi in English and Farsi, the ad indicated in Farsi that the Defendant was an "official expert of immigration".

[25] Another ad, which is undated, appeared in a monthly Farsi publication called Jadval (the Second Ad). It began with the words "Salam Toronto" in prominent type and underlined. Again, .com appeared below in small print. Immediately below "Salam Toronto" was a word in Farsi which translates as "Immigration". It was also in prominent type. It was followed by a telephone number and the Finch Avenue address. The Photo and a phrase in Farsi which translates as "more

descriptions on pages 12 and 71” completed the ad. The ad was undated but the Plaintiff said that it appeared in almost every issue of Jadval published in the last few years.

[26] The final ad was much larger than the others (the Third Ad). Directly under the heading “Salam Toronto”, were words in Farsi which said “Immigration to Canada”. The Toronto skyline was shown below. The bullet points from the First Ad were repeated. The Defendant’s name, Kamran Taghavi, appeared in English and Farsi followed by “official expert of immigration” in English. Again the ad was undated but the Plaintiff said it had appeared regularly in Jadval. However, there was no evidence about Jadval’s circulation or distribution.

(d) **Email Addresses**

[27] The Plaintiff’s website www.salamtoronto.ca showed that the Plaintiff’s email address was info@salamtoronto.ca. The Defendant’s website www.salamtoronto.com indicated that its email address was info@salamtoronto.com.

[28] The Plaintiff testified that Unique Hair Studio (the Studio) wanted to place an advertisement in the Newspaper but apparently, in error, sent an email with the relevant information to the Defendant at info@salamtoronto.com. That initial email was not in evidence. The Plaintiff testified that, sometime later, a woman from the Studio called him to ask why he had not sent her a proof for the ad. The Plaintiff said that he had not received her request and she replied that she had sent it by

email and that she had received his acknowledgement (the Acknowledgment). She sent the Plaintiff a copy of the Acknowledgment.

[29] The Acknowledgment was an auto reply from the defendants at info@salamtoronto.com

which said:

We acknowledge with thanks receipt of your email.
One of our consultants will get back to you as soon as possible.
Thank you again for using Salam Toronto Immigration & Settlement services.
Tel & Fax: (416) 733-4050

[30] There is no evidence to show how the Studio obtained the defendants' email address. As well, there is no evidence to indicate why the Studio did not understand the Acknowledgment which made it clear that the Studio had contacted Salam Toronto Immigration and Settlement Services and not the Plaintiff.

[31] It is noteworthy that the Acknowledgment shows that the Services are chosen and purchased through personal contact with a consultant.

[32] The Plaintiff also testified that his brother in Los Angeles booked him a flight to that city for an upcoming visit. When his brother sent him an email to confirm the itinerary, he received the Acknowledgement. Again there is no evidence about why the Plaintiff's brother wrote to the wrong email address and why he did not realize his mistake when he received the Acknowledgement. Apparently, several days later, when the Plaintiff said he had not received the flight information, his brother re-sent it using a correct email address.

[33] The Plaintiff's evidence about these emails included hearsay testimony which I have accepted but, even on that basis, I cannot conclude that the Studio and the Plaintiff's brother were confused as the term is used in the Act. Neither thought the Defendant's Immigration Services were being offered by the Plaintiff. They simply made mistakes when they addressed their emails.

(e) **The Stationary**

[34] On February 26, 2004, the Plaintiff's solicitor wrote Salam Toronto Immigration and Settlement Services asking it to cease using the Mark. The letter in reply dated March 11, 2004 (the Letter) began with a two-line letterhead which read "Salam Toronto" followed by "Immigration & Settlement Services" on the second line. The signature was illegible but the words "Salam Toronto Immigration and Settlement Services" appeared below. In the Letter, Salam Toronto indicated that it provided immigration and settlement services and denied infringing the Plaintiffs' Mark which it noted related only to newspapers. The Letter also indicated that Salam Toronto registered a domain name on January 30, 2002. The print at the bottom of the Letter showed that the domain name was www.salamtoronto.com.

(f) **The Jadval Directory**

[35] "Salam Toronto – Naghavi" appeared in Farsi in a directory which was included in Jadval every second month. The entry appeared under the heading "Immigration and Lawyers".

THE ISSUES

[36] The issues are:

1. Does the Defendant's use of the Mark in his domain names and generally on his website, on his website specifically in association with "News", on his stationary, in his email address, in the Ads and in the Jadval Directory infringe the Plaintiff's Mark?
2. Has the Defendant depreciated the Plaintiff's goodwill?
3. Has the Defendant breached subsection 7(b) of the Act?

DISCUSSION AND CONCLUSIONS

Issue 1 Infringement

[37] Section 19 of the Act gives the registrant of a trademark the right to its exclusive use throughout Canada and Section 20(1) provides that a registered trademark is infringed by a person who uses it in association with a confusing trade name.

[38] The issue therefore is whether any of the above-described uses of the trade names "Salam Toronto", "Salam Toronto Immigration Services" and "Salam Toronto Immigration and Settlement Services" are confusing with the Plaintiff's Mark.

[39] The relevant subsection of the *Trade-Marks Act* on the issue of use is 4(2). It provides that:

4. (2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

4. (2) Une marque de commerce est réputée employée en liaison avec des services si elle est employée ou montrée dans l'exécution ou l'annonce de ces services.

[40] In my view, on the issue of use, the domain names, the email address and website homepages use the Mark because they serve an advertising and promotional function as well as playing a contact role. I have reached this conclusion because they are each immediately linked to substantive information about the Services. The email produces the Acknowledgment. The "Salam Toronto" homepage automatically leads to detail about the Services and the domain names quickly lead to descriptions of the Services. As well, the Ads clearly fall within the ambit of subsection 4(2).

[41] However, the evidence does not show that the stationary and the Jadval Directory are used for advertising or promotion. In my view, they simply contain contact information and, for this reason, will not be further considered.

[42] Subsection 6(4) of the Act deals with confusion. It provides that:

6. (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.

6. (4) L'emploi d'un nom commercial crée de la confusion avec une marque de commerce, lorsque l'emploi des deux dans la même région serait susceptible de faire conclure que les marchandises liées à l'entreprise poursuivie sous ce nom et les marchandises liées à cette marque sont fabriquées, vendues, données à bail ou louées, ou que les services liés à l'entreprise poursuivie sous ce nom et les services liés à cette marque sont loués ou exécutés, par la même personne, que ces marchandises ou

services soient ou non de la même catégorie générale.

What to be considered

(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.

Éléments d'appréciation

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

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

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

c) le genre de marchandises, services ou entreprises;

d) la nature du commerce;

e) le degré de ressemblance entre les marques de commerce ou les noms commerciaux dans la présentation ou le son, ou dans les idées qu'ils suggèrent.

[43] I will deal with each factor in turn, recognizing that none are determinative and that the totality of the circumstances must be considered in context. In this regard, please see *Mattel, Inc. v. 3894207 Canada Inc.*, [2006] 1 S.C.R. 772, paragraph 54. I am required to determine whether a probable purchaser of ordinary intelligence, acting with ordinary caution, would be confused. In this regard, please see *Canadian Schenley Distilleries Ltd. v. Canada's Manitoba Distillery Ltd.* (1975), 25 C.P.R. (2d) 1, paragraph 15 and *General Motors Corp. v. Bellows*, [1949] S.C.R. 678.

(a) **Inherent Distinctiveness and Extent Known**

[44] In my view, “Salam Toronto” is not inherently distinctive. It is a weak trademark and, for this reason, some confusion is unavoidable.

[45] The Plaintiff has published his Newspaper weekly since October 2000 and the Mark has appeared in every issue on the first and last pages and in the masthead. The Plaintiff also uses the Mark on his websites. The Plaintiff registered “Salam Toronto Publications” as a business name on January 5, 2001.

[46] Approximately 7,700 copies of the Newspaper were distributed to supermarkets each week. In the absence of evidence about cost, I have assumed it is available for free or at a modest price.

[47] The Plaintiff received awards from the Canadian Ethnic Journalists and Wireless Club in 2002 and from the National Ethnic Press and Media Council of Canada Inc. in October 2007. As well, the Plaintiff has been appointed to the Board of the Ontario Community Newspaper Association. These facts suggest that the Newspaper and the Mark are known and well regarded in and, to some degree, beyond Toronto’s Iranian community.

[48] The Defendant registered Salam Toronto as a domain name in January 2002 and as a business name on February 20, 2002 and at about that time, began construction of a website at

www.salamtoronto.com. He has also advertised regularly in Iran Star and Jadval in Toronto over the last few years. However, there was no evidence about the distribution of Iran Star and Jadval. As well, there was no evidence about the frequency with which the Defendant was contacted through the web or using email. We know that the Defendant's name appears in the Jadval Directory but we have no idea of its circulation.

[49] There was no evidence about the use made of the Services or about their cost but it is reasonable to assume that the Services are expensive in comparison to the Newspaper.

[50] In these circumstances, I can conclude that the Plaintiff's Mark is known in the Iranian community in association with the Newspaper. However, I cannot reach any conclusion about how well known the Defendant's trade names might be known in association with the Services.

(b) Duration

[51] The Plaintiff registered Salam Toronto as his trade name on January 5, 2001. It was registered as his trademark on February 20, 2004.

[52] The Defendant registered the business name Salam Toronto on February 20, 2002 and incorporated Salam Toronto Inc. on April 5, 2006.

(c) **Nature of Wares**

[53] The Plaintiff's Mark is registered for a weekly current affairs Newspaper.

[54] The Defendant offers immigration and settlement services.

(d) **Nature of Trade**

[55] Both parties' businesses focus on Toronto's Iranian community. The Defendant's Ads appear in Iran Star and Jadval which the Plaintiff describes as competitive publications. However, their respective audiences and manner of purchase are different. The Newspaper is of interest to those who are concerned about current affairs and the Services are for those with immigration or settlement issues. While there could be some overlap between the two groups, there is unlikely to be confusion. The Newspaper is picked up at a Supermarket for free or a modest charge. On the other hand, a prospective purchaser of the Services works with a consultant to determine his requirements and pays comparatively substantial fees.

(e) **Degree of Resemblance**

[56] The Applicant's Mark and the Defendant's Trade Name are identical in all respects. The Plaintiff's Mark also forms part of the Defendant's other trade names, web addresses and email address.

(f) **Other Circumstances**

[57] Against this background, the question is whether, on a balance of probabilities, the use of “Salam Toronto” in advertising the Services would lead a member of Toronto’s Iranian community to infer that the Plaintiff was offering the Services. Put another way, to find infringement, I would have to conclude, on a balance of probabilities, that members of the Iranian community in Toronto would infer that the respected and award winning publisher of their only English-Farsi current events weekly newspaper was also an immigration specialist.

[58] The Plaintiff complains that, because the Mark and the Trade Name are identical, people may think he is associated with or somehow related to the Defendant. He also says the potential for confusion is increased because his surname and that of the Defendant differ only in their capital letters in English and differ only slightly when written in Farsi. He says the public will infer that he and the Defendant are the same person.

[59] In spite of these submissions, I am not prepared to find the test for confusion has been satisfied because:

1. The Act only applies if the public is confused to the point of inferring that the Services are offered by the Plaintiff. In my view, the fact that the surnames are even slightly different is a bar to such confusion.

2. There is no evidence of actual confusion on the part of potential or actual users of the Services.
3. The Ads which were the Defendant's primary contact with the public, make it clear with the Photo together with the different surname that the man offering the Services is not the Plaintiff.
4. The Plaintiff has such a distinctive stature as a publisher and journalist that the prospect that he has a separate unrelated business in which he is a specialist is remote.
5. The Newspaper and Services are completely different products. The former is free or modestly priced and the latter undoubtedly involves relatively significant cost and the extra attention and personal contact associated with selecting and purchasing the Services.

Issue 2 Depreciation of Goodwill

[60] There was no evidence to suggest that the Defendant's use of the Mark has harmed the Plaintiffs' business or reputation.

Issue 3 Subsection 7(b) of the Act

[61] The section reads as follows:

7. No person shall

(b) direct public attention to his wares, services or business in such a way as to cause or be likely

7. Nul ne peut :

b) appeler l'attention du public sur ses marchandises, ses services ou son entreprise de

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;

manière à causer ou à vraisemblablement causer de la confusion au Canada, lorsqu'il a commencé à y appeler ainsi l'attention, entre ses marchandises, ses services ou son entreprise et ceux d'un autre;

[62] Since I have concluded on a balance of probabilities that the Defendant's use of "Salam Toronto" is not confusing with the Plaintiff's Mark, the Defendant has not breached this section of the Act.

JUDGMENT

UPON hearing only the evidence of the Plaintiff and the submissions of his counsel in Toronto on September 29, 2008;

THIS COURT ORDERS AND ADJUDGES that, for the reasons given above, this application is hereby dismissed.

"Sandra J. Simpson"

Judge

FEDERAL COURT

NAMES OF COUNSEL AND SOLICITORS OF RECORD

DOCKET: T-2150-06

STYLE OF CAUSE: SALAM TORONTO PUBLICATIONS
and MOSEN SEYED YAGHAVI

and

SALAM TORONTO INC.,
SALAM TORONTO IMMIGRATION SERVICES
and KAMRAN NAGHAVI o/a SALAM TORONTO

PLACE OF HEARING: Toronto, Ontario

DATE OF HEARING: September 29, 2008

REASONS FOR JUDGMENT : Simpson J.
AND JUDGMENT

DATED: January 9, 2009

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