



## 2019 Study Question

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**Consumer survey evidence**

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### I. Current law and practice

***Please answer the below questions with regard to your Group's current law and practice.***

**1.a** Is consumer survey evidence in principle admissible in trademark proceedings? Please answer YES or NO.

Yes

Please Explain

**1.b** Are there specific statutory provisions in your law governing consumer survey evidence?

If YES, what do they state and do they specifically concern trademark matters or do they have a more general nature?

No

Please Explain

***If you have answered NO to Q1)a), please skip Q2)-Q5) and proceed to Q6); If you have answered YES to Q1)a), please proceed to Q2).***

**2.a** Is consumer survey evidence admitted in all types of trademark proceedings (see also para. 13 in the full text of the Study Guidelines which can be found at the top of this webpage)?

Yes

Please Explain

**2.b** If consumer survey evidence is not admitted in all types of trademark proceedings, in which types is it admitted and in which types is it not (e.g. opposition proceedings, revocation, proceedings, infringement proceedings)?

N/A

**3.a** What can consumer survey evidence prove or help prove (e.g. confusion, acquired distinctiveness; see also para. 14 in the full text of the Study Guidelines which can be found at the top of this webpage)?

All of the above.

**3.b** What is consumer survey evidence most used for in practice to prove or help prove (e.g. confusion, acquired distinctiveness; see also para. 14 in the full text of the Study Guidelines which can be found at the top of this webpage)?

Most often confusion.

**4.a** Are there specific requirements for surveys, e.g. as to the way of conducting the survey (e.g. internet or email survey, telephone survey, shopping mall interrupt surveys), the number and selection of respondents, the appropriate form and order of survey questions and the use or nature of controls? If so, which?

Yes

Please Explain

**No. There are no specific forms other than as suggested by the expert conducting the survey.**

**4.b** If your answer to Q4a) is NO, what characteristics do surveys generally have, e.g. as to the way of conducting the survey, the number and selection of respondents, the appropriate form and order of survey questions and the use or nature of controls?

The Supreme Court of Canada has stated that the use of survey evidence should be applied with caution: *Masterpiece Inc v Alavida Lifestyles Inc*, [2011] 2 SCR 387 at para 93.

The characteristics of a reliable, valid, and admissible survey vary depending on the particular facts and circumstances of the case. In preparing surveys for use in Canadian proceedings, litigants should be mindful that Canadian courts have excluded surveys in the following circumstances:

1. where the people surveyed do not constitute the relevant population;
2. where the trademark used in the survey was not identical to the trademark at issue;
3. where the wrong question was asked (e.g. asking about the public recognition of a word rather than a question directed to the issue of confusion); and,
4. where the survey was not carried out in an impartial and independent manner.

As various specific examples:

- in *Imperial Tobacco Canada Limited v Philip Morris Brands SARL*, 2018 FC 503, at para. 100 and 101, the court cautioned that survey evidence must provide a certain amount of context for the survey respondents to understand what they are being asked (i.e. the questions ought not be asked in a vacuum) but also not suggest an answer. The Court cited Justice Rouleau who, in *Mattel USA Inc v 3894207 Canada Inc*, 2004 FC 361; had found it an error in principle for a survey to exclude knowledgeable people from those answering the survey.

- (a) a survey that dealt with only a small portion of the relevant universe was given little weight, and (b) the respondent's survey that varied in terms of methods techniques and procedures from approved methods, was held to be inadmissible, both in *Unitel Communications Inc v Bell Canada* (1991), 61 CPR (3d) 12 at 47-51 (FCTD) (Gibson J.)

"I conclude that the range of variations from "approved" methods, techniques and procedures, combined in particular with the lack of geographical representation in the sample employed, are such that the respondent's survey evidence is simply inadmissible."

- survey evidence must canvas the correct universe and cannot be extrapolated to make conclusions about other geographical areas. A survey which was conducted in the U.S. and extrapolated to Canada, with a statement by the surveyor that he has "no reason to believe that the results obtained in the [U.S.] study would result in significantly different conclusions [in Canada]" was completely rejected. See *Chamberlain Group, Inc. v Lynx Industries Inc.*, 2009 CanLII 82112 (CA TMOB) at para. 13, referring to *National Hockey League v Pepsi-Cola*, [1995] BCJ No 310 (BCCA).

**5.a** Are specific percentages of respondents answering certain questions required or sufficient to prove certain items? If so, which?

No

Please Explain

**5.b** What percentages of respondents answering certain questions are typically deemed insufficient?

No limit has been set by Canadian law, which looks at the facts of each case in order to determine the appropriateness of survey methodologies. This becomes a matter of evidence provided by the expert who conducted the survey, who testifies as to the appropriate methodologies that should be followed to produce a meaningful and reliable survey. If there is conflicting expert testimony, this issue becomes a matter of debate between the conflicting experts, resolved by the the judge as the trier of fact.

**6** Is the court or IP office involved in the set-up of the survey, or can it be, and, if so, to what extent?

No

Please Explain

**7** What weight or value is generally given by the court or IP office to consumer survey evidence, if such is admitted, and which factors are relevant in considering the extent of such weight or value?

In Canada, consumer survey evidence is adduced as expert opinion evidence, which is an exception to the general rule that excludes opinion evidence at trials in Canadian law

Expert evidence must meet four requirements before it is admissible, namely:

1. relevance;
2. necessity in assisting the trier of fact to determine the issues before him/her;
3. that it is not excluded by other rules; and
4. that it be tendered by a properly qualified expert.

Consumer survey evidence must therefore address a question of relevance in the case (e.g., the meaning of a trademark to the relevant universe of consumers, or the existence of secondary meaning, or the likelihood of confusion),

For a survey to be relevant, it must be addressed to the relevant universe of customers and potential customers engaged with the particular area of commerce in which the trademark in issue is used, it must be administered to a large enough representative sample of that relevant universe such that reliable conclusions may be drawn, it must ask questions that will reliably elicit the true views of that relevant universe without introducing bias, and the answers given must be fully reported and competently analyzed without bias.

Furthermore, on the point of “necessity”, the Supreme Court of Canada in 2011 (*Masterpiece Inc v Alavida Lifestyles Inc*, [2011] 2 SCR 387) explained that the “necessity” branch ought to be interpreted as excluding expert evidence unless it is beyond the expertise of the trier of fact, to help curb the rising cost of such survey evidence and the cost of the litigation in which it is adduced, and to stop such proceedings becoming “battles of expert witnesses”:

[75] Tendering expert evidence in trade-mark cases is no different than tendering expert evidence in other contexts. This Court in *R. v. Mohan*, 1994 CanLII 80 (SCC), [1994] 2 S.C.R. 9, set out four requirements to be met before expert evidence is accepted in a trial: (a) relevance; (b) necessity in assisting the trier of fact; (c) the absence of any exclusionary rule; and (d) a properly qualified expert. In considering the standard for the second of these requirements, “necessity”, the Court explained that an expert should not be permitted to testify if their testimony is not “likely to be outside the experience and knowledge of a judge”:

This pre-condition is often expressed in terms as to whether the evidence would be helpful to the trier of fact. The word “helpful” is not quite appropriate and sets too low a standard. However, I would not judge necessity by too strict a standard. What is required is that the opinion be necessary in the sense that it provide information “which is likely to be outside the experience and knowledge of a judge or jury”: as quoted by Dickson J. in *R. v. Abbey*, *supra*. As stated by Dickson J., the evidence must be necessary to enable the trier of fact to appreciate the matters in issue due to their technical nature. [p. 23]

[76] In light of the relatively extensive expert evidence in this case, and the difficulties with the evidence that I discuss below, I think it is timely to recall that litigation is costly. Courts must fulfil their gatekeeper role to ensure that unnecessary, irrelevant and potentially distracting expert and survey evidence is not allowed to extend and complicate court proceedings. While this observation applies generally, I focus particularly on trade-mark confusion cases, which is the subject of this appeal.

[77] If a trial judge concludes that proposed expert evidence is unnecessary or irrelevant or will distract from the issues to be decided, he or she should disallow such evidence from being introduced. I will also suggest that proposed expert and survey evidence be a matter for consideration at the case management stage of proceedings so that if such evidence would not be admissible at trial, much of the cost of engaging experts and conducting surveys may be avoided. To explain my reasons, I turn to the expert evidence in this case.

For a survey to be necessary, the relevant information it provides must be information that the trier of fact would not have otherwise been aware.

This would more likely occur in cases where the relevant universe of consumers may be unfamiliar to the trial judge or where the perceptions of customers and potential customers are very different from the perceptions a judge might otherwise ascribe to that group.

If the survey evidence meets these requirements, it is admissible in Canadian proceedings. The degree of weight to be accorded the evidence will depend upon the particular circumstances of the case and of the witness putting forward the survey and is a matter of discretion for the Court. If the conclusions to be drawn from the survey go directly to a question in issue in the case, and if the witnesses used to introduce and explain the survey conclusions are not undermined in cross-examination, the Court may elect at its discretion place significant weight on the conclusions of the survey.

## II. Policy considerations and proposals for improvements of your Group's current law

**8** Could any of the following aspects of your Group's current law or practice relating to consumer survey evidence be improved? If YES, please explain.

**8.a** Types of trademark proceedings in which survey evidence is admissible;

No

Please Explain

**No.** We felt that our law, which has no hard bar on the types of proceedings in which survey evidence is admissible, was appropriate. Scientifically designed survey evidence, where reliable and necessary and of course unbiased, out to be accepted in any such proceeding.

**8.b** What survey evidence can prove or help prove;

No

Please Explain

**No.** Again, we felt that any issue that a trier of fact feels is appropriately beyond its experience and knowledge, and which the trier of fact felt was reliable and necessary, out to be able to be adduced.

**8.c** Requirements of surveys;

No

Please Explain

**No.** Again, we felt that these matters were appropriately determined by the expert as part of the methodology to the survey, as survey design is very fact specific, and ultimately accepted or rejected by the trier of fact, and then given the weight as the trier of fact would feel appropriate in the circumstances of the survey and the issues in the proceeding.

**8.d** The application, or lack thereof, of bench-mark percentages;

No

Please Explain

No. Again, we felt that these matters were appropriately determined by the expert as part of the methodology to the survey, as survey design is very fact specific, and ultimately accepted or rejected by the trier of fact, and then given the weight as the trier of fact would feel appropriate in the circumstances of the survey and the issues in the proceeding.

8.e The weight or value given to consumer survey evidence.

No

Please Explain

No. Again, we felt that these matters were appropriately determined by the expert as part of the methodology to the survey, as survey design is very fact specific, and ultimately accepted or rejected by the trier of fact, and then given the weight as the trier of fact would feel appropriate in the circumstances of the survey and the issues in the proceeding.

9 Are there any other policy considerations and/or proposals for improvement to your Group's current law falling within the scope of this Study Question?

No

Please Explain

### III. Proposals for harmonisation

***Please consult with relevant in-house / industry members of your Group in responding to Part III.***

10 Do you believe that there should be harmonisation in relation to consumer survey evidence?

Yes

Please Explain

***If YES, please respond to the following questions without regard to your Group's current law or practice.  
Even if NO, please address the following questions to the extent your Group considers your Group's current law or practice could be improved.***

11 Should consumer survey evidence in principle be admissible in trademark proceedings? Please answer YES or NO.

Yes

Please Explain

2.a Should consumer survey evidence be admitted in all types of trademark proceedings (see also para. 13 in the full text of the Study Guidelines which can be found at the top of this webpage)?

Yes

Please Explain

**2.b** If consumer survey evidence should not be admitted in all types of trademark proceedings, in which types should it be admitted and in which types should it not be admitted (e.g. opposition proceedings, revocation, proceedings, infringement proceedings)?

N/A

**13** What should consumer survey evidence be allowed to prove or help prove (e.g. confusion, acquired distinctiveness; see also para. 14 in the full text of the Study Guidelines which can be found at the top of this webpage)?

Consumer survey evidence ought to be allowed to prove anything e.g. confusion, acquired distinctiveness, what words are recognized as principally referring to, etc., provided that it is reliable and “necessary” for the trier of fact as that term is defined earlier in this answer.

**14** Should there be specific requirements for surveys, e.g. as to the way of conducting the survey (e.g. internet or email survey, telephone survey, shopping mall interrupt surveys), the number and selection of respondents, the appropriate form and order of survey questions and the use or nature of controls? If so, which?

No

Please Explain

No. We felt this should be left to the expert in terms of survey methodology, and then ultimately the trier of fact to accept as correct (or not) and assess in terms of according weight. For example, a survey with a smaller number of respondents might be more appropriate in smaller cases, to keep the case proportionate to the issues in play, whereas such a small survey might not be acceptable in a matter with more at stake.

**5.a** Should specific percentages of respondents answering certain questions be required or deemed sufficient to prove certain items? If so, which?

No

Please Explain

**5.b** What percentages of respondents answering certain questions should be deemed insufficient?

No minimum level.

**16** Should the court or IP office be involved in the set-up of the survey and, if so, to what extent?

No

Please Explain

**17** What weight or value should be given by the court or IP office to consumer survey evidence, if such is admitted, and which factors should be relevant in considering the extent of such weight or value?

If admitted, weight of the survey evidence should be determined by the trier of fact. Factors to be considered in assessing weight include those mentioned in question 7, including that it is canvassing the relevant universe of consumers, and suitably designed.

**18** Please comment on any additional issues concerning any aspect of consumer survey evidence you consider relevant to this Study Question.

The comment was raised that the impact of artificial intelligence (AI) and machine learning on consumer surveys should be considered as an aspect of assessing how useful they are. As the importance of emerging technologies to the economy increases, setting standards to govern how AI-enabled technology is used in IP litigation will become more important. There may be a role for IP offices to play in drafting guidelines on how AI-enabled technology might be used to deal with trademark law issues, including as an example technologically enhanced consumer surveys that might use chatbots to conduct surveys, or present examples to the respondents, etc.

**19** Please indicate which industry sector views provided by in-house counsel are included in your Group's answers to Part III.

Counsel representing a variety of industries were represented. No in-house counsel participated. One member from the academic world participated.