Federal Court of Appeal | Cour d'appel fédérale

Date: 20231206

Docket: A-119-23

Citation: 2023 FCA 238

CORAM: **STRATAS J.A.**
LEBLANC J.A.
BIRINGER J.A.

BETWEEN:

TWEAK-D INC.

Appellant

and

ATTORNEY GENERAL OF CANADA

Respondent

Heard at Toronto, Ontario, on December 6, 2023.
Judgment delivered from the Bench at Toronto, Ontario, on December 6, 2023.

REASONS FOR JUDGMENT OF THE COURT BY: BIRINGER J.A.

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REASONS FOR JUDGMENT OF THE COURT
(Delivered from the Bench at Toronto, Ontario, on December 6, 2023).

BIRINGER J.A.

[1] The Registrar of Trademarks determined that the appellant's word mark, TRIBAL CHOCOLATE, was not registrable because it was confusing with an already registered word mark, TRIBAL. The Federal Court (*per* Manson J.) affirmed the Registrar's decision: 2023 FC 427. The appellant appeals the Federal Court's order.

[2] In 2017, the appellant filed an application to register TRIBAL CHOCOLATE in connection with:

> Hair care preparations, namely shampoo, hair conditioner, hair gel, hair dyes, hair mousse, hair pomade, hair rinses, hair spray, leave-in hair treatments, namely leave-in hair conditioners and leave-in hair emollients, all intended for distribution to mass market retailers, drugstores, home shopping channels or internet retailers, but specifically excluding beauty salons and spas.

[3] The Registrar is required to refuse an application for registration of a trademark if satisfied that the trademark is confusing with an already registered trademark: *Trademarks Act*, R.S.C. 1985, c. T-13, paragraphs 37(1)(*b*) and 12(1)(*d*).

[4] The test for confusion is whether the "casual consumer somewhat in a hurry" would likely make the inference that the goods or services associated with the trademarks emanated from the same source: subsection 6(2) of the Act; *Mattel, Inc. v. 3894207 Canada Inc.*, 2006 SCC 22 at para. 2; *Masterpiece Inc. v. Alavida Lifestyles Inc.*, 2011 SCC 27 at para. 40.

[5] In making this determination, the Registrar must consider all the surrounding circumstances, including the factors listed in subsection 6(5) of the Act.

[6] The Registrar refused the registration application for TRIBAL CHOCOLATE on the basis that it was confusing with the trademark TRIBAL. TRIBAL had been registered in 2012 in association with, among other things, hair colourants and hair dyes. The Registrar's conclusion took into account the word marks' highly similar appearance, the similar and overlapping nature of the goods, and the likely overlapping channels of trade. The appellant's appeal of the Registrar's decision to the Federal Court, pursuant to subsection 56(1) of the Act, was dismissed.

[7] The standards of review from *Housen v. Nikolaisen*, 2002 SCC 33 apply to the Federal Court's decision: *Puma SE v. Caterpillar Inc.*, 2023 FCA 4 at para. 18; *Miller Thomson LLP v. Hilton Worldwide Holding LLP*, 2020 FCA 134 at paras. 41-42. These standards are correctness for questions of law and palpable and overriding error for questions of fact and questions of mixed fact and law, unless there is an extricable error of law.

[8] The appellant alleges that the Federal Court and the Registrar made several errors.

[9] First, relying on *Society of Composers, Authors and Music Publishers of Canada v. Entertainment Software Association*, 2022 SCC 30, the appellant argues that the Federal Court erred in applying the *Housen* standards of review to the Registrar's decision. We disagree. *SOCAN* concerned reasonableness review in circumstances where a court and an administrative body have concurrent first instance jurisdiction over a legal issue in a statute. It did not affect the holding in *Canada (Minister of Citizenship and Immigration) v. Vavilov*, 2019 SCC 65 at para. 37 that the *Housen* standards of review, in particular correctness review for questions of law, apply in a statutory appeal. The appeal of the Registrar's decision to the Federal Court is a statutory appeal: subsection 56(1) of the Act.

[10] Second, the appellant submits that the Federal Court erred in upholding the Registrar's assessment of likely confusion. It takes issue with the Court's consideration of the state of the Register evidence and the co-existence agreement between the appellant and the owner of TRIBAL.

[11] Whether confusion is likely is a question of mixed fact and law with a significant factual component: *Remo Imports Ltd. v. Jaguar Cars Ltd.*, 2007 FCA 258 at para. 52; *Venngo Inc. v. Concierge Connection Inc. (Perkopolis)*, 2017 FCA 96 at paras. 42-43; *Masterpiece* at para. 102. Accordingly, the standard of review is palpable and overriding error, unless the appellant can point to an extricable error of law.

[12] The appellant submits that the Federal Court and Registrar erred in failing to reconcile the alleged inconsistency in prior registrations. They say that TRIBAL CHOCOLATE is not more confusing with TRIBAL than TRIBAL is with the prior registered mark TRIBAL INDULGENCES. We reject this submission and agree with the reasoning of the Federal Court at para. 27.

[13] It is generally irrelevant that a given mark may have been registered in the past; each application must be assessed on "its intrinsic value, the proposed services, and its particular context": *Cliche v. Canada (Attorney General)*, 2012 FC 564 at para. 27, aff'd 2013 FCA 8; *Worldwide Diamond Trademarks Limited v. Canadian Jewellers Association*, 2010 FC 309 at para. 80, aff'd 2010 FCA 326. Even if the Registrar has erred on a prior application, it is not required to perpetuate the error: *Cliche* at para. 31. We reject the appellant's reliance on *Johnson (S.C.) and Son, Ltd. et al. v. Marketing International Ltd.*, [1980] 1 S.C.R 99, as there, the validity of the registration of the "middle" registered mark was questioned; there is no claim here that TRIBAL was incorrectly registered.

[14] The "state of the Register" may, in some cases, demonstrate a pattern of registrability of similar marks. We adopt the Federal Court's reasons at paras. 28-29 that inferences based on the Register should only be drawn if there is a large number of relevant registrations and evidence of actual use: *McDowell v. Laverana GmbH & Co. KG*, 2017 FC 327 at paras. 42-46; *Tokai of Canada Ltd. v. Kingsford Products Company, LLC*, 2021 FC 782 at para. 56; *Puma* at para. 48. Here, there were only four relevant registrations—TRIBAL, TRIBAL INDULGENCES, URBAN: TRIBE, and TRIBE—and no evidence of use: FC Reasons at paras. 6-8 and 29. The Federal Court properly upheld the Registrar's determination based on the state of the Register.

[15] The appellant argues that the Federal Court erred by "wholly discounting the significance" of the co-existence agreement between the appellant and the owner of TRIBAL. We disagree. A registered trademark owner's consent to the registration of a competing trademark is not dispositive of registrability: *Holding Benjamin et Edmond de Rothschild v. Canada (Attorney General)*, 2018 FC 258 at para. 24. It is one factor that may be considered.

[16] It was open to the Registrar to conclude that the co-existence agreement, while relevant, did not trump the other factors in subsection 6(5) of the Act: FC Reasons at para. 30. It is not the role of the Federal Court in a statutory appeal or this Court on a second appeal to reweigh the evidence: *Clorox Company of Canada, Ltd. v. Chloretec S.E.C.*, 2020 FCA 76 at para. 38; *Puma* at para. 43.

[17] We also agree with the Federal Court's reasons at para. 30, endorsing the Registrar's conclusion, that as a matter of first impression and recollection the concurrent use of TRIBAL

CHOCOLATE and TRIBAL for hair care products would likely lead to the inference that the products emanated from the same source.

[18] The appellant has not shown that the Federal Court made a reversible error in upholding the Registrar's decision. We dismiss the appeal with costs.

"Monica Biringer"

J.A.

FEDERAL COURT OF APPEAL

NAMES OF COUNSEL AND SOLICITORS OF RECORD

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