## TRADUCTION/TRANSLATION

IN THE MATTER OF THE OBJECTION BY Maison des Futailles, S.E.C. to application for registration No. 1050227 for the trade-mark LE TONNELIER, property of Vincor (Québec) Inc.

Vincor (Québec) Inc. (the "Applicant") filed an application on March 6, 2000, for the registration of the trade-mark LE TONNELIER (the "Mark") in association with wines on the basis of proposed use. Maison des Futailles, S.E.C. (the "Objector") filed a statement of objection on September 14, 2001. The Objector's grounds of objection are as follows:

- (a) Pursuant to paragraph 38(2)(a) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act"), the application for registration does not comply with the provisions of subparagraph 30(i) of the Act, in that the Applicant's statement that it is satisfied that it is entitled to use the Mark in Canada in association with wines is false, since the Applicant should have known on the date of filing of the application that the Mark was confusing with the registered trade-mark TONNELLI of the Objector previously used in Canada by the Objector and its predecessor in title the Société des Alcools du Québec ("S.A.Q.");
- (b) Pursuant to paragraph 38(2)(b) of the Act, the Mark is not registrable within the meaning of paragraph 12(1)(b) of the Act, since it is clearly descriptive or deceptively misdescriptive of the persons employed in the production of containers of the wares with which it is proposed to be used;
- (c) Pursuant to paragraph 38(2)(b) of the Act, the Mark is not registrable because of the provisions of paragraph 12(1)(d) of the Act in that the Mark is confusing with the registered trade-mark TONNELLI, registration certificate 549622 belonging to the Objector;
- (d) Pursuant to paragraph 38(2)(c) of the Act, the Applicant is not the person entitled to registration of the Mark in Canada owing to the provisions of paragraph 16(3)(a) of the Act. On the date of filing of the application for registration, the Mark in Canada was confusing with the trade-mark TONNELLI referred to above, belonging to the Objector, previously used in Canada by the Objector and its predecessor in title in association with wine;

- (e) Pursuant to paragraph 38(2)(c) of the Act, the Applicant is not the person entitled to registration of the Mark in Canada owing to the provisions of paragraph 16(2)(a) of the Act. On the date of filing of the application for registration, the Mark in Canada was confusing with the trade-mark TONNELLI belonging to the Objector in respect of which an application for registration had been previously filed, on May 8, 1998, by the predecessor in title of the Objector, the S.A.Q., in association with wine;
- (f) Pursuant to the provisions of paragraph 38(2)(d) of the Act, the Mark is not distinctive within the meaning of section 2 of the Act. The Mark does not distinguish and cannot be used to distinguish the Applicant's wines from the wines of other persons and more particularly those of the Objector.

The Applicant filed a counter-statement essentially denying the allegations in the Objector's statement of objection. The Objector filed in evidence the affidavit of Sylvain Laporte accompanied by exhibits SL-1 to SL-4 inclusive. The Applicant filed no evidence. Neither of the parties filed any written submissions and the Objector alone was represented at the hearing.

Mr. Laporte holds the position of assistant director of marketing with the Objector. He has been employed by the Objector since May 1999. Previously, he worked at the S.A.Q. The relevant and uncontradicted evidence on the record may be summarized as follows:

- On May 8, 1998, the Objector's predecessor in title, the S.A.Q., filed an application for registration for the trade-mark TONNELLI in association with wine. On August 9, 2001, a registration certificate number 549622 was issued in favour of the Objector and a copy was introduced as exhibit SL-1;
- 2. The Objector has been using the trade-mark TONNELLI in association with wines since September 1998. Samples of labels of wine bottles bearing this mark were introduced as exhibit SL-2;
- 3. Between September 1998 and December 31, 2001, the Objector sold more than 750,000 bottles of wine bearing the trade-mark TONNELLI. During the same period it spent about \$250,000 on promoting this trade-mark. Promotion samples were introduced as exhibit SL-3;

4. The Objector's wines are generally sold in the S.A.Q. stores and in grocery stores.

The relevant dates for analyzing the various grounds of objection vary according to the particular ground of objection. For example, for grounds of objection based on section 30 of the Act, the relevant date is the date of filing of the application for registration (March 6, 2000) (see Dic Dac Holdings (Canada) Ltd v. Yao Tsai Co. (1999), 1 C.P.R. (4th) 263). There is some controversy concerning the relevant date for a ground of objection based on paragraph 12(1)(b) of the Act. Prior to the decision in *Fiesta* Barbeques Limited v. General Housewares Corporation (2004), 28 C.P.R. (4th) 60, the reference date used was the date of the decision (see Lubrication Engineers, Inc. v. Canadian Council of Professional Engineers (1992), 41 C.P.R. (3d) 243). In Fiesta, Russel J. conducted a comprehensive analysis of the case law on this matter and concluded that the relevant date is instead the date of filing of the application for registration. In any event, this difference between the relevant dates will have no impact on the outcome of this case. Concerning the ground of objection based on paragraph 12(1)(d) of the Act, the relevant date is the date of my decision (see Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R. (3d) 413 (F.C.A.)). When the ground of objection is based on subsection 16(3) of the Act, the date of filing of the application for registration (March 6, 2000) is likewise the relevant date, as that section states. Finally, it is generally recognized that the date of filing of the objection (September 14, 2001) is the relevant date for analyzing the ground of objection based on the lack of distinctive character of the Mark (see Andres Wines Ltd. and E&J Gallo Winery (1975), 25 C.P.R. (2d) 126 (F.C.A.) at page 130 et Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd., op.cit.).

In view of the evidence on the record, the difference between the relevant dates related to the grounds of objection that have not yet been analyzed will have no impact on the issue of whether there is a risk of confusion between the Mark and the Objector's mark.

In proceedings in objection to the registration of a trade-mark, the Objector must present sufficient evidence concerning the grounds of objection on which it is relying for it to be apparent that there are some fact in support of these grounds. If this is done, the burden of proof shifts toward the Applicant, which will have to convince the Registrar that the grounds of objection should not prevent the registration of the Applicant's trade-mark (see *Sunshine Biscuits Inc. v. Corporate Foods Ltd.* (1982), 61 C.P.R. (2d) 53, *Joseph Seagram & Sons Ltd. v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325 and *John Labatt Ltd. v. Molson Companies Limited* (1990), 30 C.P.R. (3d) 293).

From the evidence on the record, I am not prepared to find that the Applicant's statement that it was satisfied that it was entitled to use the Mark in Canada in association with wines was false. I therefore dismiss the first ground of objection.

The Objector filed in evidence as exhibit SL-4 the definition of the word "tonnelier", which is found in the Petit Larousse dictionary 1990, and reads as follows:

Ouvrier qui fait ou répare les tonneaux [Worker who makes or repairs barrels (cooper)]

Paragraph 12(1)(b) of the Act prohibits the adoption of a trade-mark

whether depicted, written or sounded, <u>either clearly descriptive</u> or <u>deceptively misdescriptive</u> in the English or French language of the character or quality of the wares or services in association with which it is used or proposed to be used or of the conditions of or the <u>persons employed in their production</u> or of their place of origin; [Emphasis added]

The Objector submits that the Mark would be descriptive of the persons employed in the manufacture of the containers for the wares. But the scope of paragraph 12(1)(b) is not as extensive as the Objector argues. The provision would apply to the case, for example, of a mark "cabinetmaker" in association with furniture. Furthermore, there is no evidence to be placed in the record that the Applicant's wines are sold in barrels. This ground of objection is therefore dismissed.

The fate of the grounds of objection described above in paragraphs (c), (d), (e) and (f) will depend on the results of the analysis of the risk of confusion between the Mark and the Objector's trade-mark TONNELLI.

Subsections 6(1) and 6(2) of the Act describe the applicable test in determining whether there is a risk that the Mark will be confused with the Objector's. These provisions read as follows:

- **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.

For the purpose of determining whether there is a risk of confusion between the Mark and the Objector's trade-mark TONNELLI, subsection 6(5) of the Act indicates that the Registrar shall have regard to all the surrounding circumstances including (i) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; (ii) the length of time the trade-marks or trade-names have been in use; (iii) the nature of the wares, services or business; (iv) the nature of the trade; and (v) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

In *Miss Universe v. Bohna*, [1995] 1 F.C. 614, Décary J.A. of the Federal Court of Appeal held:

To decide whether the use of a trade-mark or of a trade-name causes confusion with another trade-mark or another trade-name, the Court must ask itself whether, as a matter of first impression on the minds of an ordinary person having a vague recollection of that other mark or name (see *Coca-Cola* 

Co. v. Pepsi-Cola Co. (1942), 2 D.L.R. 657 (P.C.), at p. 661, Lord Russell of Killowen), the use of both marks or names in the same area in the same manner is likely to lead to the inference that the services associated with those marks or names are performed by the same person, whether or not the services are of the same general class. See s. 6(2), (3) and (4) of the Act; Rowntree Company Limited v. Paulin Chambers Company Limited et al., [1968] S.C.R. 134; Oshawa Holdings Ltd. v. Fjord Pacific Marine Industries Ltd. (1981), 55 C.P.R. (2d) 39 (F.C.A.); Mr. Submarine Ltd. v. Amandista Investments Ltd., [1988] 3 F.C. 91 (C.A.), at p. 99, Thurlow C.J.; and Canadian Schenley Distilleries Ltd. v. Canada's Manitoba Distillery Ltd. (1975), 25 C.P.R. (2d) 1 (F.C.T.D.), at p. 12, Cattanach J.

...

The onus is always upon an applicant for the registration of a trade-mark to establish that, on the balance of probabilities, there is no likelihood of confusion with a previously used and registered trade-mark. See *Sunshine Biscuits, Inc. v. Corporate Foods Ltd.* (1982), 61 C.P.R. (2d) 53 (F.C.T.D.), at p. 57, Cattanach J. and *Molnlycke Aktiebolag v. Kimberly-Clark of Canada Ltd.* (1982), 61 C.P.R. (2d) 42 (F.C.T.D.), at p. 46, Cattanach J.

Décary J.A. also stated, in Christian Dior, S.A. v. Dion Neckwear Ltd., [2002] 3 F.C. 405:

... the Court is to put itself in the position of an average person who is familiar with the earlier mark but has an imperfect recollection of it; the question is whether the ordinary consumer will, on seeing the later mark, infer as a matter of first impression that the wares with which the second mark is used are in some way associated with the wares of the earlier.

... The Registrar must therefore be reasonably satisfied that, on a balance of probabilities, the registration is unlikely to create confusion; he need not be satisfied beyond doubt that confusion is unlikely.

(i) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;

The Mark is composed of the words "LE" and "TONNELIER", the definition of which is reproduced above. These words, used in association with wine, may suggest at the very most the idea that the container of the wine is a barrel. The mark TONNELLI has some phonetic resemblance to the word "tonnelle" [barrel, or cask]. Moreover, a barrel appears on the labels produced by the Objector in exhibit SL-2. The mark TONNELLI has a

higher degree of distinctiveness, therefore, than the Mark when it is used in association with wine.

The sales figures mentioned above mean that the mark TONNELLI is known to Quebec consumers. This factor favours the Objector, therefore.

(ii) the length of time the trade-marks or trade-names have been in use;

The Applicant filed no proof of use of the Mark, while the Objector demonstrated the use of its trade-mark TONNELLI since September 1998. This factor favours the Objector, therefore.

- (iii) the nature of the wares, services or business;
- (iv) the nature of the trade;

The wares are the same. The Objector sells its wines in the S.A.Q. stores and grocery stores. It alleges, and this evidence is uncontradicted, that the Applicant's wines would be sold in the same establishments. These factors also favour the Objector.

(v) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

Concerning this circumstance, Cattanach J. held, in *Beverly Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2d) 145, upheld 60 C.P.R. (2d) 70:

Realistically appraised it is the degree of resemblance between the trade-marks in appearance, sound or in ideas suggested by them that is the most crucial factor, in most instances, and is the dominant factor and other factors play a subservient role in the over-all surrounding circumstances.

The marks must be analyzed as a whole and not dissected in order to find similarities or differences. The test remains that of the imperfect memory of the average consumer: *Canadian Schenley Distilleries Ltd. v. Canada's Manitoba Distillery Ltd.* (1975),

25 C.P.R. (2d) 1. Now, there is a visual and phonetic similarity between the Mark and the Objector's trade-mark. The word "LE" that precedes the distinctive portion of the Mark, the word "TONNELIER", is not sufficient to avoid possible confusion in the average consumer, who would have some knowledge of the Objector's TONNELLI trade-mark. All of the circumstances listed in subsection 6(5) of the Act and the Applicant's lack of interest tend to favour the Objector. I therefore allow the ground of objection described above in paragraph (c). Although this finding is sufficient to dispose of this objection, I also uphold the grounds of objection (d), (e) and (f). The record demonstrates, in fact, that the Objector had filed an application for registration for the mark TONNELLI and commenced the use of this trade-mark prior to the filing of the application for registration of the Applicant. The Objector had not abandoned the use of its trade-mark at the time of publication of the application for registration of the Mark (subsection 16(5) of the Act). Finally, since I have found that the Mark may be confusing with the Objector's trade-mark TONNELLI, it cannot distinguish the Applicant's wares from those of the Objector sold in association with the trade-mark TONNELLI.

Pursuant to the powers delegated to me by the Registrar of Trade-marks under the provisions of subsection 63(3) of the Act, I uphold the objection by the Objector and I therefore dismiss the application for registration by the Applicant for the trade-mark LE TONNELIER, under the provisions of subsection 38(8) of the Act.

DATED AT MONTRÉAL, QUEBEC, THE 14TH DAY OF APRIL 2004.

Jean Carrière Member Trade Marks Opposition Board