



LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADE-MARKS

**Citation: 2011 TMOB 251**  
**Date of Decision: 2011-12-12**

**IN THE MATTER OF AN  
OPPOSITION by E. & J. Gallo  
Winery to application  
No. 1,344,533 for the trade-mark  
B.CARLO in the name of  
Terraustral S.A.**

FILE RECORD

[1] On April 23, 2007, Terraustral S.A. (located in Santiago, Chile) filed an application to register the trade-mark B.CARLO, based on proposed use in Canada, in association with the wares “wine.”

[2] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated May 7, 2008 and was opposed by E. & J. Gallo Winery on October 7, 2008. The Registrar forwarded a copy of the statement of opposition to the applicant on October 30, 2008 as required by s.38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the grounds of opposition as well as denying “each and every allegation contained in the Statement of Opposition . . .”

[3] The opponent subsequently requested leave to amend its statement of opposition to add a new ground based on s.12(1)(a) of the *Trade-marks Act*. Section 12(1)(a) prohibits registering marks which are “primarily merely the name or surname of an

individual who is living or has died within the preceding thirty years.” The opponent’s request for leave to amend was granted: see the Board ruling dated August 27, 2009.

[4] The opponent’s evidence consists of the affidavits of George Ubing and Marcelo Garcia. The applicant’s evidence consists of the affidavits of Lynda Palmer and James Supple. The opponent’s evidence in reply consists of the affidavit of Amanda Dempster. Only the opponent submitted a written argument and only the opponent was represented at an oral hearing held on November 15, 2011.

#### STATEMENT OF OPPOSITION

[5] The statement of opposition pleads that:

(i) the opponent is one of the largest wineries in the world, its trade-name and trade-mark CARLO ROSSI familiar to millions of Canadians by virtue of extensive sales and advertising in Canada for over 25 years,

(ii) the opponent is the owner of the registered trade-marks CARLO ROSSI and CARLO ROSSI’S & Design, shown below, used in association with wines since 1982 and 1980, respectively.



[6] The grounds of opposition may be summarized as follows:

1. The applied for mark B.CARLO is not registrable, pursuant to s.12(1)(a), owing to its name or surname significance.
2. The applied for mark B.CARLO is not registrable, pursuant to s.12(1)(d), because it is confusing with the opponent’s above-mentioned registered marks.
3. The applicant is not entitled to register the applied for mark, pursuant to s.16(3)(a), because at the date of filing (April 23, 2007) the mark B.CARLO was confusing with the opponent’s above-mentioned marks and trade-name previously used in Canada in association with wine.
4. The applied for mark is not distinctive of the applicant’s wares, pursuant to s.2, since it is not adapted to distinguish the applicant’s wine sold under the applied for mark from the wine sold by the opponent under the opponent’s above-mentioned marks.

5. The application does not comply with s.30(i) because the applicant could not honestly state that it was satisfied that it is entitled to use the applied for mark in view of the applicant's awareness of the opponent's above-mentioned marks.

6. The application does not comply with s.30(b) as the applied for mark was used in Canada prior to April 23, 2007.

#### OPPONENT'S EVIDENCE

##### *George Ubing*

[7] Mr. Ubing identifies himself as Director of Sales/Canada for the opponent company. The opponent is a family-owned and operated business, founded in 1933, headquartered in Central California, U.S.A. The opponent operates the largest wineries in the world, pressing about one fourth of the total annual grape harvest of California. The opponent has won numerous international awards for its products. The mark CARLO ROSSI has been used in the United States since 1962 and in Canada since 1980. Sales volumes in Canada for wines bearing the mark CARLO ROSSI amounted to about 229,000 "mixed cases" in 1999, rising steadily to about 373,000 "mixed cases" in 2008. A "mixed case" is the equivalent of 9 litres of wine. Advertising and promotional expenditures for Canada for the years 2004 to 2009 amounted to about U.S. \$196,000. Exhibit B of Mr. Ubing's affidavit contains copies of invoices showing sales of the opponent's wines to various liquor control boards across Canada. Exhibit F of Mr. Ubing's affidavit shows the mark CARLO ROSSI prominently displayed on labels for the opponent's wines.

##### *Marcelo Garcia*

[8] Mr. Garcia identifies himself as a student-at-law employed by the firm representing the opponent. Mr. Garcia conducted a search for the surname "Carlo" on an online Canadian telephone directory. The search, attached as Exhibit A to his affidavit, lists 36 such persons. I note that none of the persons have a first name beginning with the letter B, although two individuals are listed as "Robert Carlo." I recognize the possibility that those two individuals may possibly be known as Bob Carlo or B.Carlo but if so, it is not in evidence.

APPLICANT'S EVIDENCE

*Lynda Palmer*

[9] Ms. Palmer identifies herself as a trade-mark searcher. On August 5, 2009 she conducted a search of records at the Canadian Trade-marks office to locate trade-mark applications and registrations with respect to the terms CARLO or ROSSI used in association with “wine, beverages, alcoholic beverages.” The results of her search are attached as Exhibits 1A (for the term CARLO) and 1B (for the term ROSSI) of her affidavit (although, through apparent oversight, Ms. Palmer does not reference Exhibit 1B in the text of her affidavit). From my review of Exhibit 1A, none of the marks located are comprised of the term CARLO *per se*. The third party mark which most resembles the term CARLO is the registered mark CARLOS 1.

[10] From my review of Exhibit 1B, none of the marks are comprised of the term ROSSI *per se*, although the third party mark (owned by Barardi & Company Limited) which most resembles the term ROSSI is the registered mark ROSSI & Design where the sole word component ROSSI is the dominant feature of the mark. I note that Barardi & Company Limited also own the word mark MARTINI & ROSSI and several design marks featuring the words MARTINI & ROSSI.

[11] Ms. Palmer also searched websites for the liquor control boards for Ontario, British Columbia and Quebec for the words CARLO and ROSSI. I agree with the applicant, at page 9, paragraph 14(d) of its written argument, that “the evidence primarily shows references to products with names that include the word ROSSI.” Ms. Palmer also documents that the term CARLO is the Italian variation of the male name Charles.

*James Supple*

[12] Mr. Supple identifies himself as the Research and Development manager for CDNameSearch Corp. His evidence is intended to verify the reliability of the trade-mark data base used by Ms. Palmer to conduct her searches.

OPPONENT'S REPLY EVIDENCE

*Amanda Dempster*

[13] Amanda Dempster identifies herself as a “searcher” with the firm representing the opponent. On September 18, 2009 she conducted a search of active trade-mark applications and registrations on the Canadian Trade-marks Register for marks containing the word CARLO used in association with “wine”, “wines”, “vin” or “vins.” The results of her search are attached as Exhibit A of her affidavit. From my review of Exhibit A, I note that three third party marks were located, standing in the names of two owners. The marks are MONTE-CARLO BEACH HOTEL; MONTE CARLO INN; and MONTE CARLO INN & Design.

CONSIDERATION OF GROUNDS OF OPPOSITION

*first ground*

[14] The first ground of opposition is based on s.12(1)(a) of the *Trade-marks Act* which reads as follows:

12(1) Subject to section 13, a trade-mark is registrable if it is not

(a) a word that is primarily merely the name or the surname of an individual who is living or has died within the preceding thirty years;

[15] The material time for considering a s.12(1)(a) ground of opposition is the date of my decision: see *Lubrication Engineers, Inc. v. Canadian Council of Professional Engineers* (1992), 41 C.P.R. (3d) 243 (F.C.A.). Further, the onus or legal burden is on the applicant to show that the applied for trade-mark is registrable. In considering the first ground of opposition, I am following the guidance of Mr. Justice Cattnach in *Gerhard Horn Investments Ltd. v. Canada (Registrar of Trade Marks)* (1983), 73 C.P.R. (2d) 23 (F.C.T.D.) at p. 30:

The first and foremost consideration is whether the word or words sought to be registered in the name [i.e., the applied for mark] is the name or surname of a living individual or an individual who has recently died.

It is when that condition precedent is satisfied, and only then, that consideration need be given to the question whether the trade mark applied for is "primarily merely" a name or surname rather than something else.

[16] In the present case, the evidence of record is sufficient to establish that "Carlo" is a surname, however, the applied for mark is not "Carlo" *per se*, it is "B. Carlo." As the mark sought to be registered is not a surname, the next issue is whether "B. Carlo" is the name of a living individual or an individual who has died. In this regard, the applicant's evidence (see paragraph 8, above) is, in my view, insufficient to establish that there is a living person or a person who has died with the surname "Carlo" and a first name that begins with the letter B. Thus, the condition precedent as stated by Mr. Justice Cattanach, above, for determining whether or not a word falls within the ambit of s.12(1) (a) of the *Act* has not been satisfied. The ground of opposition pursuant to s.12(1)(a) is therefore rejected.

*second, third and fourth grounds*

[17] With respect to the second, third and fourth grounds of opposition, the main issue is whether the applied for mark B.CARLO is confusing with the opponent's mark CARLO ROSSI. The legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of s.6(2) of the *Trade-marks Act*, shown below, between the applied for mark and the opponent's mark:

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 . . . associated with those trade-marks are manufactured . . . by the same person, whether or not the wares . . . are of the same general class.

[18] Thus, s.6(2) does not concern the confusion of the marks themselves, but confusion of goods from one source as being from another source. In the instant case, the question posed by s.6(2) is whether there would be confusion of the applicant's wine products sold under the mark B.CARLO as wine products emanating from or sponsored by or approved by the opponent who sells its wine under the mark CARLO ROSSI.

[19] The material dates to assess the issue of confusion are (i) the date of decision, with respect to the second ground of opposition alleging non-registrability; (ii) the date of filing the application with respect to the third ground of opposition alleging non-entitlement, in this case April 23, 2007; and (iii) the date of filing the statement of opposition, in this case October 7, 2008, in respect of the fourth ground of opposition alleging non-distinctiveness: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v. Canadian Retired Persons* (1998), 84 C.P.R.(3d) 198 at 206 - 209 (F.C.T.D.).

*legal onus and evidential burden*

[20] The legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition. The presence of a legal onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant. However, there is also, in accordance with the usual rules of evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293 at 298 (F.C.T.D.). The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist.

*test for confusion*

[21] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are “all the surrounding circumstances including” those specifically mentioned in s.6(5)(a) to s.6(5)(e) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not

necessarily have equal weight as the weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trademarks* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 C.P.R.(4<sup>th</sup>) 361 (S.C.C.), although the degree of resemblance is the last factor cited in s.6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

#### *Consideration of s.6(5) Factors*

[22] The opponent's mark CARLO ROSSI possesses a rather low degree of inherent distinctiveness as it would likely be perceived as the name of a real or fictitious person. Of course, the same is true for the applied for mark B.CARLO. The opponent's evidence regarding the use and advertisement of its mark CARLO ROSSI in Canada is lacking in detail, nevertheless, on a fair reading of Mr. Ubings' affidavit and in the absence of cross-examination, I am prepared to infer that the opponent's mark CARLO ROSSI had acquired a significant reputation in Canada at all material times. In contrast, the applied for mark is based on proposed use in Canada and no evidence has been adduced to show that the mark B.CARLO acquired any reputation in Canada at any material time. Thus, the first factor in s.6(5), which is the combination of inherent and acquired distinctiveness, strongly favours the opponent. I would add that Ms. Palmer's evidence, discussed earlier, has little influence in my conclusions regarding the inherent distinctiveness of the opponent's mark or its acquired distinctiveness in the marketplace where it is sold alongside other wines cited in her evidence.

[23] The second factor, that is, the length of time that the marks in issue have been in use, also favours the opponent. In this regard, the opponent's evidence is that the mark CARLO ROSSI has been in use in Canada since 1980 and in extensive use since 1999. The nature of the parties' wares is the same and, in the absence of evidence to the contrary, I assume that the parties' channels of trade would also be the same or highly overlapping. Accordingly, the third and fourth factors in s.6(5) are detrimental to the applicant.

[24] The two components of the opponent's mark namely, CARLO and ROSSI, are both fairly equally dominant. However, as the component CARLO occupies the first



portion of the mark, it is somewhat more important for the purposes of distinction: see *Conde Nast Publications Inc. v. Union Des Editions Modernes* (1979) 26 C.P.R.(2d) 183 at 188 (F.C.T.D.). The applied for mark is also comprised of two components namely, the first component B and the second component CARLO. However, in the applied for mark, CARLO is the more dominant component despite its latter position in the mark. As the term CARLO is the more dominant component in each of the marks in issue, it follows that there is a fairly high degree of resemblance between the opponent's mark and the applied for mark. Stated otherwise, the marks in issue resemble each other more than they differ. Thus, the final and most important factor in s.6(5) weighs against the applicant.

#### *Conclusion*

[25] In view of the foregoing, I find that, at all material times, the applicant has not met the legal onus on it to show that, on a balance of probabilities, there is no reasonable likelihood of confusion between the applied for mark B.CARLO and the opponent's mark CARLO ROSSI. The second, third and fourth grounds are therefore successful.

#### *fifth and sixth grounds*

[26] The fifth ground, as pleaded, does not raise a valid ground of opposition as contemplated by s.30(i) and is therefore rejected. The sixth ground is rejected as no evidence was adduced to put the sixth ground into issue.

#### DISPOSITION

[27] In accordance with paragraph 25 above, the subject application is refused. This decision has been made pursuant to a delegation of authority under s.63(3) of the *Trade-marks Act*.

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Myer Herzig  
Member  
Trade-marks Opposition Board