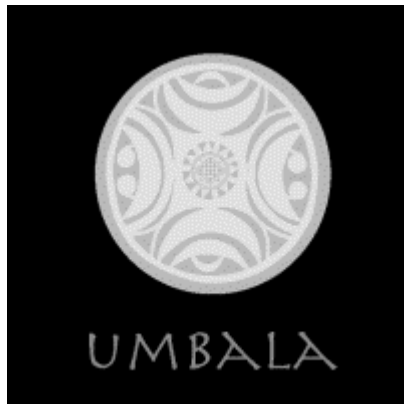


LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2011 TMOB 93
Date of Decision: 2011-06-27

**IN THE MATTER OF AN OPPOSITION by
Vincor International IBC Inc. to application
No. 1,243,381 for the trade-mark UMBALA
& Design in the name of Oenoforos AB**

[1] On January 13, 2005, Oenoforos AB (the Applicant) filed an application to register the trade-mark UMBALA & Design (shown below) (the Mark) based upon proposed use of the Mark in Canada in association with the following wares, as revised: “alcoholic beverages, namely, wine” (the Wares):



[2] The application is also based upon use and registration of the Mark in Sweden. It further claims priority of the corresponding trade-mark application filed on December 21, 2004 under No. 2004/08560 in that country.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* of May 24, 2006.

[4] On August 14, 2006, Vincor International IBC Inc. (the Opponent) filed a statement of opposition claiming that the application does not conform to the requirements of s. 30(e) and (i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act). The statement of opposition also claims that the Mark is not registrable pursuant to s. 12(1)(d) of the Act, that it is non-distinctive of the Applicant pursuant to s. 2 and 38(2)(d) of the Act, and that the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(3)(a) of the Act in view of the fact that the Mark is confusing with the Opponent's trade-mark KUMALA, previously used in Canada by the Opponent and its predecessor in title since at least as early as 2002, and registered under No. TMA594,478 in association with "wine; table wine".

[5] The Applicant filed and served a counter statement in which it denies the Opponent's allegations. The Applicant further pleads that the Opponent has not identified the trade-mark being relied upon by it in support of its claim based on s. 30(i) of the Act. Consequently, the Applicant pleads that it has no knowledge of what trade-mark the Opponent is referring to. However, that latter objection was withdrawn at the oral hearing. It is clear from a review of the statement of opposition as a whole that the Opponent is referring to its previously used and registered trade-mark KUMALA.

[6] In support of its opposition, the Opponent filed the affidavit of Steven Bolliger, Senior Vice-President, Marketing of Vincor International Inc. (Vincor), sworn September 7, 2007. In support of its application, the Applicant filed the affidavit of Nyall Engfield, who describes himself as an associate with the law firm representing the Applicant in the present opposition proceeding. Mr. Engfield was cross-examined on his affidavit and the transcript of his cross-examination forms part of the record.

[7] Both parties filed written arguments and attended the oral hearing.

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[8] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidentiary burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Ltd v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.); and *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

Analysis of the grounds of opposition

[9] Applying these principles to the instant case, the s. 30(e) and (i) grounds of opposition can be summarily dismissed as follows:

- i. The s. 30(e) ground of opposition fails because the Opponent has not met its initial evidentiary burden in respect thereof. The Opponent has pleaded that the application does not comply with the requirements of s. 30(e) of the Act in that the Applicant does not itself intend to use the Mark in Canada. However, there is no evidence whatsoever that puts into issue the correctness of the proposed use basis claimed in the Applicant's application; and
- ii. The s. 30(i) ground of opposition, as pleaded, does not raise a proper ground of opposition. The Opponent has pleaded that the application does not comply with the requirements of s. 30(i) of the Act in that the Applicant could not be satisfied that it is entitled to use the Mark in Canada in association with the Wares because the Applicant has known that the trade-mark KUMALA has been extensively used by the Opponent for confusingly similar wares, namely wine. However, the mere fact that the Applicant may have been aware of the existence of the Opponent's KUMALA trade-mark does not preclude it from making the statement in its application required by s. 30(i) of the Act.

Even if the ground had been properly pleaded, where an applicant has provided the statement required by s. 30(i), a s. 30(i) ground should only succeed in exceptional circumstances such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.)]. There is no such evidence in the present case.

[10] The remaining grounds of opposition, namely the s. 12(1)(d) (non-registrability), s. 16(3)(a) (non-entitlement) and s. 2 (non-distinctiveness) grounds of opposition all revolve around the issue of the likelihood of confusion between the Mark and the Opponent's trade-mark KUMALA. I will assess the s. 12(1)(d) ground of opposition first.

Section 12(1)(d) ground of opposition

[11] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of s. 12(1)(d) of the Act in that it is confusing with the Opponent's trade-mark KUMALA registered under No. TMA594,478 in association with "wine; table wine".

[12] The material date to assess a ground of opposition based on s. 12(1)(d) is the date of my decision [see *Park Avenue Furniture Corp. v. Wickers/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.)].

[13] The Opponent has provided a certified copy of its registration. I have exercised the Registrar's discretion to confirm that it is in good standing as of today's date.

[14] As the Opponent's evidentiary burden has been satisfied, the Applicant must therefore establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's KUMALA trade-mark.

[15] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that 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.

[16] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at s. 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; b) the length of time the trade-marks 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 in appearance or sound or in the ideas suggested by them. This list is not exhaustive; all relevant factors are to be considered, and are not necessarily attributed equal weight [see *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.); and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée* (2006), 49 C.P.R. (4th) 401 (S.C.C.) for a thorough discussion of the general principles that govern the test for confusion].

[17] The parties' marks are inherently distinctive, not describing any particular feature of their respective goods. Neither of the marks has any meaning in the English or French languages.

[18] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. However, there is no evidence that the Applicant has commenced use of its proposed use Mark in Canada or that the Mark has become known to any extent whatsoever in Canada.

[19] Turning to the Opponent's trade-mark, the Opponent's registration No. TMA594,478 issued on November 12, 2003 on the basis of use and registration of the mark in the United Kingdom by the Opponent's predecessor in title, namely Western Wines Limited (Western Wines). Such registration in itself can establish no more than *de minimis* use and cannot give rise to an inference of significant or continuing use of the mark in Canada [see *Entre Computer Centers, Inc. v. Global Upholstery Co.* (1992), 40 C.P.R. (3d) 427 (T.M.O.B.)]. That said, the Opponent has tendered evidence in the present case purporting to establish use of the KUMALA

trade-mark in Canada over the last decade, as per my review below of the most pertinent parts of Mr. Bolliger's affidavit.

[20] Mr. Bolliger first explains what his position is within Vincor, which, as indicated above, is defined as Vincor International Inc. [paragraphs 1 and 2 of his affidavit]. He then goes over Vincor and its products. He states that Vincor made a series of acquisitions of wineries over the last decade, including Western Wines [paragraph 3 of his affidavit]. He states that Vincor is based in Mississauga, Ontario and is Canada's largest producer, marketer and distributor of wine. He further states that Vincor is a wholly owned subsidiary of Constellation Brands, Inc. (Constellation), based in Fairport, New York, which acquired Vincor in June 2006. Mr. Bolliger states that Constellation is a leading international producer and marketer of beverage alcohol brands with a portfolio which includes wine, beer and spirits. Globally, Constellation is the largest wine producing company by volume [paragraph 4 of his affidavit].

[21] Mr. Bolliger continues his affidavit by stating that "Vincor IBC Inc. (Vincor IBC) was a wholly-owned subsidiary of Vincor prior to the acquisition by Constellation. Post acquisition restructuring, Vincor IBC became a subsidiary of Constellation" [paragraph 5 of his affidavit].

[22] Mr. Bolliger then describes "Vincor's [t]rade-mark rights" in the KUMALA mark and "Vincor's use" of same.

[23] As I have pointed out to the Opponent at the oral hearing, the Opponent is nowhere identified or referred to *per se* in Mr. Bolliger's affidavit. When Mr. Bolliger explains what he calls "Vincor's [t]rade-mark rights" and more particularly, the KUMALA brand acquired from Western Wines in 2004, he states that "Vincor is the owner of Canadian registration [N]o. TMA594,478 for the trade-mark KUMALA", which statement is incorrect as evidenced by the certified copy of such registration attached as Exhibit A to his affidavit that identifies the Opponent as current owner of the mark following the recordation of a *nunc pro tunc* assignment dated December 12, 2005 between Western Wines and the Opponent, respectively as assignor and assignee of the KUMALA mark.

[24] In the following paragraphs of his affidavit, Mr. Bolliger states that:

By virtue of a license agreement between Vincor IBC and Western Wines, Western Wines has the license to use the KUMALA [trade-mark]. Such license entitles Western Wines to manufacture, label, package, distribute, market and sell products marked with Vincor IBC's trade-mark. Pursuant to the license, Western Wines must observe and comply with all requirements, procedures and directions of Vincor IBC with respect to the use of its [trade-mark]. Also, by virtue of the license, Vincor IBC has direct or indirect control of the character and quality of the wines marked with the licensed [trade-mark] in Canada. [paragraph 12 of his affidavit].

[25] However, the relationship existing between Vincor IBC and the Opponent is not explained. The Opponent submitted at the oral hearing that "the only way to make sense of Mr. Bolliger's affidavit is to read it as if Vincor IBC is the Opponent". The Opponent further submitted that the issue raised above concerning the absence of any reference whatsoever to the Opponent in Mr. Bolliger's affidavit was not raised by the Applicant in its written argument.

[26] It is true that the only way to make sense of Mr. Bolliger's affidavit is to read it as if the references to Vincor IBC were meant to refer to the Opponent and resulted from a clerical error made in paragraph 5 of Mr. Bolliger's affidavit when defining Vincor IBC as Vincor IBC Inc. rather than Vincor *International* IBC Inc. As indicated above, Vincor International Inc. has been referenced by Mr. Bolliger as simply Vincor. It makes sense that he meant to refer to Vincor International IBC Inc. as Vincor IBC. The mistaken identification of Vincor as owner of Canadian registration No. TMA594,478 for the trade-mark KUMALA noted above, further leads me to conclude that Mr. Bolliger did not notice such oversights at the time of executing his affidavit.

[27] In view of the foregoing, and given that the Applicant did not raise that particular issue in its written argument but only at the oral hearing after such issue was raised by me (in fact, I note that the Applicant did expressly acknowledge at pages 2 and 6 of its written argument under the headings "Summary of the Opponent's Evidence" and "B. The Length of Time Each [Trade-

mark] Has Been in Use” respectively, that the Opponent did provide evidence of sales of wine in association with its KUMALA trade-mark in Canada), I am prepared to read Mr. Bolliger’s references to Vincor IBC as referring to the Opponent and to conclude that use of the KUMALA trade-mark established through Mr. Bolliger’s affidavit inure to the benefit of the Opponent pursuant to s. 50 of the Act.

[28] That said, turning to the evidence of sales and advertising of the KUMALA wine in Canada, Mr. Bolliger explains in his affidavit that there are eight types of wines sold in the KUMALA collection of wines, such as KUMALA CHENIN BLANC CHARDONNAY and KUMALA MERLOT RUBY CABERNET. In each case, the KUMALA mark appears prominently, on its own, on the carton of wine or the labels affixed to the wine bottles with the particular wine type (that is CHENIN BLANC CHARDONNAY, MERLOT RUBY CABERNET, etc.) appearing elsewhere on the carton or labels [paragraphs 14, 15 and 16 of his affidavit; and Exhibits C, D and E, which consist respectively of samples of labels affixed to 1L and 750 ml bottles, and representative photograph of carton and sample of a carton of wine bearing the KUMALA trade-mark].

[29] Mr. Bolliger provides the volumes of sales of the KUMALA wine collection over the last five years (2002 to July 31, 2007), the total of which exceeds 10 million dollars [paragraph 13 of his affidavit].

[30] Mr. Bolliger explains that the KUMALA wines have been made available at liquor stores throughout Canada, other than Quebec. In addition, KUMALA wines are available at the LCBO stores and on-line at *www.lcbo.com* across Ontario [paragraph 17 of his affidavit; and Exhibit F consisting of a print-out from *www.lcbo.com* listing the KUMALA wines]. KUMALA wines are also offered in a variety of restaurants and bars across Canada [paragraph 21 of his affidavit].

[31] Mr. Bolliger further provides the breakdown as to the aggregate sums of money expended annually by Vincor in association with the advertising and promotion of wines sold under the trade-mark KUMALA in Canada over the past two years which have been in excess of 270,000 and 175,000 dollars for the years 2006 and 2007 respectively [paragraph 19 of his affidavit]. He

also provides representative samples of print advertising for the KUMALA wine collection [Exhibit 20]; representative samples of restaurant menus offering KUMALA wines [Exhibit H]; representative sample of “shelf talkers” or printed advertisements hung over the edge of retail store shelves, displaying the KUMALA trade-mark [Exhibit I]; representative sample of “table talkers” placed on tables in restaurants [Exhibit L]; and representative samples of Internet sites and magazines articles that mention the KUMALA trade-mark (including wine news and information magazine “*Avenue Wine*”) [Exhibit K].

[32] Mr. Bolliger concludes his affidavit by providing his opinion as to distinctiveness acquired by the KUMALA trade-mark and the likelihood of confusion between the parties’ marks [paragraphs 27 to 30 of his affidavit]. I am not prepared to accord weight to these statements of Mr. Bolliger, which constitute inadmissible opinion evidence. The likelihood of confusion involves mixed questions of law and fact to be determined by the Registrar on the basis of the factual evidence of record.

[33] To sum up, I am satisfied from my review of Mr. Bolliger’s affidavit that the KUMALA trade-mark has become known to a certain extent in Canada in association with wine and table wine. However, I am not prepared to find, as the Opponent wishes me to, that the KUMALA trade-mark has become “well-known” in Canada as I am of the view that the evidence of record is simply not conclusive enough.

[34] In view of the foregoing, the overall consideration of the inherent distinctiveness of the parties’ marks and the extent to which they have become known favours the Opponent.

[35] Turning to the nature of the wares and the nature of the trade, there is no debate between the parties that they are identical. In the absence of evidence to the contrary, there is no reason to conclude that the parties’ wares would not travel through the same channels of trade and be directed to the same types of retail establishments, especially considering that the sale of alcoholic beverages is highly regulated in Canada, as stressed by Mr. Bolliger in paragraphs 6 and 7 of his affidavit.

[36] In its written argument and at the oral hearing, the Applicant made a certain number of assertions concerning the nature of the wine market, including the following:

Consumers of wine as a group are generally speaking very discerning, and are quite careful to make informed choices when buying wine. Wines by their nature are for the most part on the expensive side of beverages purchased, and wine buyers tend to be quite careful to be sure they are purchasing the wine they want. This includes being well aware not only of the brand of wine, but also its country of origin.

[...]

Consumers are accustomed to seeing and purchasing the voluminous brands of wine available in the industry. They are able to make the fine distinctions between the various types of wine products and their respective owners.

[37] As stressed by the Opponent, these assertions of the Applicant are not supported by evidence. Relying on Mr. Justice Binnie's analysis in *Mattel, supra* at para. 56, I am of the view that the prospective consumer of the parties' wine products is not "the careful and diligent purchaser [n]or, is it the 'moron in a hurry' [...]. It is rather a mythical consumer who stands somewhere in between, [...] as the 'ordinary hurried purchasers'". Furthermore, as indicated by Mr. Justice Binnie at para. 58:

A consumer does not of course approach every purchasing decision with the same attention, or lack of it. When buying a car or a refrigerator, more care will naturally be taken than when buying a doll or a mid-priced meal: *General Motors Corp. v. Bellows*, [1949] S.C.R. 678, 10 C.P.R. 101, [1950] 1 D.L.R. 569. In the case of buying ordinary run-of-the-mill consumer wares and services, this mythical consumer, though of average intelligence, is generally running behind schedule and has more money to spend than time to pay a lot of attention to details. In appropriate markets, such a person is assumed to be functionally bilingual: *Four Seasons Hotels Ltd. v. Four Seasons Television Network Inc.* (1992), 43 C.P.R. (3d) 139 (T.M.O.B.). To those mythical consumers, the existence of trade-marks or brands make shopping decisions faster and easier. The law recognizes that at the time the new trade-mark catches their eye, they will have only a general and not very precise recollection of the earlier trade-mark, famous though it may be or, as stated in *Coca-Cola Co. v. Pepsi-Cola Co.*, [1942] 2 D.L.R. 657, 1 C.P.R. 293 (P.C.) "as it would be remembered by persons possessed of an average memory with its usual imperfections" (p. 661). The standard is not that of people "who never notice anything" but of persons who take no more than "ordinary care to observe that which is staring them in the face": *Coombe v. Mendit Ltd.* (1913), 30 R.P.C. 709 (Ch. D.) at 717. However, if ordinary casual consumers somewhat in a hurry are likely to be deceived about the origin of the wares or services, then the statutory test is met.

[38] This brings me to address what I consider to be the determining factor in the present case, namely the degree of resemblance between the parties' trade-marks. In so doing, and because my analysis of the degree of resemblance between the parties' marks is no different from the analysis made by the Opposition Division of the Office for Harmonization in the Internal Market (OHIM) and the Fourth Board of Appeal of the OHIM in the opposition proceedings instituted by the Opponent's predecessor in title, Western Wines, against the Applicant's Community Trade Mark (CTM) application for the Mark, I wish to address, at this point of my analysis, the Opponent's submissions concerning the admissibility, weight and value to be afforded to Mr. Engfield's affidavit and accompanying exhibits.

[39] Mr. Engfield attaches to his affidavit the following documents:

- a certified copy of Swedish registration No. 374307 for the Mark along with a certified English translation thereof [Exhibit A];
- printouts reflecting the detailed trade-mark information of CTM registration Nos. 420839 and 1662733 for the Mark and the KUMALA trade-mark respectively, as shown on CTM-Online, the online Registry Database for OHIM [Exhibits B and C respectively];
- a copy of the decision (Ruling No. B 882 672) issued by the Opposition Division of the OHIM, which determined there was no likelihood of confusion between the respective trade-marks and rejected Western Wines' opposition against the Applicant's CTM application for the Mark [Exhibit D]; and
- a copy of the decision of the Fourth Board of Appeal of the OHIM, which dismissed the appeal against Ruling No. B 882 672 [Exhibit E].

[40] As established during his cross-examination, Mr. Engfield was provided with an affidavit and he verified that the documents included in the affidavit were the same that he presented them to be in his sworn affidavit. He did not go back to his computer and independently access the documents. However, he did go back to his computer to verify the documents attached as Exhibits D and E in order to ensure that the quotations from the decisions reproduced in his

affidavit were accurate. The Opponent submitted at the oral hearing that Mr. Engfield's testimony amounts to double hearsay and as such, should be afforded only little weight. I disagree with the Opponent as far as Exhibit A is concerned. I see no reason to question the reliability and accuracy of the certified copies attached as Exhibit A to Mr. Engfield's affidavit. That said, I agree with the Opponent that Mr. Engfield should have independently accessed the documents attached as Exhibits B to E to his affidavit or else, provided certified copies thereof. However, given that Mr. Engfield did verify the documents attached as Exhibits D and E, and given that the Opponent did not argue that the copies of the decisions issued by the OHIM Opposition Division and Fourth Board of Appeal were inaccurate, I find these receivable in the present case. I am also prepared to accept that the marks coexist on the CTM register as evidenced by Exhibits B and C, given that such coexistence is corroborated to some extent by Exhibits D and E. This brings me to comment on the persuasive value, if any, that ought to be afforded to these CTM registrations and decisions.

[41] The fact that the marks may coexist on foreign trade-marks registers is not binding upon the Registrar. It is worth referring to the following observation from this Board in *Quantum Instruments Inc. v. Elinca S.A.* (1995), 60 C.P.R. (3d) 264 (*Quantum*):

As yet a further surrounding circumstance in respect of the issue of confusion, the applicant submitted evidence of registrations obtained by both parties in Great Britain and in the United States of America for the trade-marks QUANTA and QUANTUM. However as noted ... in *Re Haw Par...*, little can be drawn from the fact that the trade-marks at issue coexist in other jurisdictions ... the Registrar must base [the] decision on Canadian standards, having regard to the situation in Canada. Further, in *Sun-Maid* ... [the court] pointed out that 'no significance can be attached to failure to oppose or object to registrations in other jurisdictions since such actions, of necessity, have their basis entirely in foreign law and procedure.' Additionally, while the applicant has relied upon evidence of coexistence of the trade-marks at issue on the registers in Great Britain and the United States of America, no evidence has been adduced of the coexistence of the trade-marks at issue in the market-place in either of these countries... Accordingly, I do not consider this evidence to be persuasive in this proceeding. [My emphasis]

[42] As in the *Quantum* case, no evidence has been adduced of the coexistence of the trade-marks at issue in the marketplace, be it in Canada or in any other country. While the Applicant puts forward in its written argument that the marks at issue coexist in the marketplace in Sweden,

such fact has not been put into evidence in the present proceeding.

[43] The OHIM decisions are also not binding upon the Registrar. As rightly put forward by the Opponent, foreign decisions are generally given relatively little weight due to the possible differences in the marketplace conditions, the state of the register, and the legal basis on which a finding of confusion or non-confusion is based. It is worth reproducing on this point, the following comments from Board Member Herzig in *Origin Natural Resources Inc. v. Warnaco U.S. Inc.* (2000), 9 C.P.R. (4th) 540 at 548 (T.M.O.B.) wherein it was stated that a decision rendered by OHIM and upheld on appeal that the marks at issue were confusing was not considered persuasive:

Of course, cases decided in foreign jurisdictions have no precedential binding authority on this Board but, in the appropriate circumstances, decisions of foreign Courts may be considered for their persuasive value. In the instant opposition case, there is some overlap in the factors that I must take into account in deciding the issue of confusion with the factors which the above-mentioned foreign tribunals considered in deciding case No. 495/1999. However, some factors which were apparently not considered by the above-mentioned foreign tribunals include the inherent distinctiveness of the marks, the extent to which they have become known, and third party use of similar marks. It appears to me, based solely on my reading of case No. 495/1999, that the European Union standard for determining the issue of confusion between trade-marks may involve a comparatively theoretical approach while Canada has adopted a more practical approach. Accordingly, I do not find case No. 495/1999, mentioned above, persuasive in its reasoning.

[44] That said, I am of the view that the objective analysis made by both the Opposition Division and the Fourth Board of Appeal of the OHIM as to the degree of resemblance between the marks at issue is applicable to the present case. I do not mean to say by this that I do not find it necessary to make my own analysis of the degree of resemblance between the marks at issue. However, in so doing, I will resort to the analysis made in these two decisions of the OHIM as I see no reason to say things differently.

[45] More particularly, I wish to reproduce on this point the following observations and findings made by the Opposition Division of the OHIM, to which I concur:

Visually, the marks have a different overall structure because the earlier mark is composed of a single word while the contested sign contains a large circular figurative element in the upper part and the inscription “UMBALA” in a slightly stylised script in the lower part of the sign, both placed on a dark rectangular background. The words “KUMALA” and “UMBALA” have the same length (six letters) and the same ending “-ALA”. Nonetheless, the beginning of these verbal elements, “KUM-” and “UMB-”, on which the consumers usually focus more than to the remaining parts of the mark, is totally different. On the whole, it is to be concluded that the visual similarities are outweighed by the differences and therefore the marks are visually dissimilar.

The earlier mark will be pronounced “ku-ma-la” and the contested sign “um-ba-la”. The similarity residing in the same length and the identical last syllable is outweighed by the first two syllables which are different.

Neither of the marks has any meaning in the languages of the Community. Consequently, there is nothing to link or differentiate the marks conceptually.

It is generally acknowledged that the verbal component of a complex mark is of more importance when analysing the sign as a whole. The average consumer looking at the goods takes in and remembers the predominant word element of the sign, which enables him to make the same choice on the occasion of a subsequent purchase, while the various figurative aspects of the earlier mark can be seen as decorative features of a label and not as the most important elements indicating the origin of the product [...].

Thus, the word “UMBALA” in the contested sign will serve as the most distinctive element of the sign. However, the figurative element of that sign will be perceived, due to its considerable size, as the most dominant component of the mark. Thus, it must be concluded that the overall impression of the marks is different because their distinctive elements (i.e. the words) show important dissimilarities which outweigh the existing similarities, and the contested sign furthermore comprises a dominant element which is not contained in the earlier mark.

[46] In the same vein, I wish to also reproduce the observations and findings made by the Fourth Board of Appeal of the OHIM:

Leaving aside the not inconsiderable figurative element in the applicant’s sign, there is a vague overall resemblance between the words “UMBALA” and “KUMALA” due obviously to the fact that they share the element “-ALA” as the ending of both words. However, the different beginnings (“UMB-” and “KUM-”) markedly affect their overall appearance and consumers would most likely be able to distinguish the two without undue difficulty or close inspection. The opponent appears to accept the idea that the beginning of a word is usually more noticeable than the remainder of the word, but states that in the present case this is not so. The opponent gives no reason why this “frontal principle” does

not apply in the present case or why the Board should regard it as an exception. In any event, from the Board's perspective the overall appearance of the marks is different and certainly different enough that they are unlikely to be visually or phonetically mistaken for one another or associated in the mind of the relevant consumer.

The fact that the signs are the same length and contain the same number of syllables is an unreliable basis on which to draw conclusions about similarity of marks, since this could apply to innumerable words which have nothing else in common with each other and would never be confused. The rhythm of the words is pertinent to a consideration of their phonetic similarities but this commonality is eclipsed, in the present case, by the noticeable contrast between "UMB-" and "KUM-". The argument that the letter "B" will be swallowed due to the preceding letter being M is erroneous. The signs will be pronounced "UM-BA-LA" and "KU-MA-LA", not "UM-A-LA" and "KU-MA-LA". There seems no reason for the letter "B" to vanish when the sign is vocalised.

Conceptually, there is no connection between the signs as neither mark means anything.

[47] As indicated above, I see no reason to say things differently.

Conclusion regarding the likelihood of confusion

[48] As indicated above, the issue is whether a consumer, who has a general and not precise recollection of the Opponent's mark, will, upon seeing the Mark, be likely to believe that their associated wares share a common source.

[49] Considering my analysis above and particularly in view of the differences existing between the parties' trade-marks, I find that the Applicant has satisfied its burden to show that there is not a reasonable likelihood of confusion between the marks in issue. As reminded by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* 2011 SCC 27 at para. 49:

[...] the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis [...]. As Professor Vaver points out, if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar [...]."

[50] While the Opponent has evidenced use of its KUMALA trade-mark in Canada, I do not find the distinctiveness acquired as a result of such use sufficient to outweigh the balance of probabilities which favours the Applicant in the present case.

[51] Accordingly, the s. 12(1)(d) ground of opposition is dismissed.

Section 16(3)(a) ground of opposition

[52] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark having regard to the provisions of s. 16(3)(a) of the Act in that at the date of filing of the Applicant's application, the Mark was confusing with the KUMALA trade-mark of the Opponent, which trade-mark has been previously used or made known in Canada by the Opponent and its predecessor in title since at least as early as 2002.

[53] An opponent meets its evidentiary burden under such a ground if it shows that as of the date of filing of the applicant's application, its trade-mark had been previously used in Canada and had not been abandoned as of the date of advertisement of the applicant's application [s. 16(5) of the Act]. The Opponent has met its burden. However, because the difference in relevant dates does not substantially affect my analysis above under the s. 12(1)(d) ground of opposition, the s. 16(3)(a) ground of opposition is also dismissed.

Non-distinctiveness ground of opposition

[54] The Opponent has pleaded that the Mark is not distinctive of the Applicant nor does it actually distinguish the Wares of the Applicant from the wares of others, including the Opponent, nor is it adapted to distinguish them.

[55] An opponent meets its initial onus with respect to a non-distinctiveness ground if it shows that as of the filing date of the statement of opposition its trade-mark had a substantial, significant or sufficient reputation in Canada so as to negate the distinctiveness of the applied-for mark [see *Bojangles' International LLC v. Bojangles Café Ltd.* (2006), 48 C.P.R. (4th) 427

(F.C.]). The Opponent has met its burden. However, because the difference in relevant dates does not substantially affect my analysis above under the s. 12(1)(d) ground of opposition, the non-distinctiveness ground of opposition is also dismissed.

Disposition

[56] In view of the foregoing and pursuant to the authority delegated to me under s. 63(3) of the Act, I reject the opposition pursuant to s. 38(8) of the Act.

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office