

IN THE MATTER OF AN OPPOSITION  
by Moosehead Breweries Limited  
to application Serial No. 581,894  
for the trade-mark MOOSEHEAD TRAIL & Design  
filed by Bi-Way Stores Limited

On April 8, 1987, the applicant, Bi-Way Stores Limited, filed an application to register the trade-mark MOOSEHEAD TRAIL & Design, illustrated below, based on proposed use in Canada, for various items of clothing including men's and boy's parkas, jackets, coats and gloves; and for shirts, sweaters, pants and shorts.

The subject application was advertised for opposition purposes on April 6, 1988. The opponent was granted a retroactive extension of time to file a statement of opposition, which it did on August 29, 1988. A copy of the statement of opposition was forwarded to the applicant on September 28, 1988.

The grounds of opposition are (1) that the applied for mark is not registrable, pursuant to Section 12(1)(d) of the Trade-Marks Act, because it is confusing with four trade-mark registrations owned by the opponent, namely MOOSEHEAD, MOOSEHEAD CANADIAN LAGER BEER & Design, MOOSEHEAD & Design, and MOOSEHEAD Design (registration Nos. 121,747; 252,475; 266,741; 320,108 covering ale, lager beer, and brewed alcoholic beverages, respectively);

(2) that the applicant is not entitled to registration, pursuant to Section 16(3)(a), because the applied for mark is confusing with (i) the above mentioned trade-marks previously used by the opponent in association with the wares covered in their respective registrations, (ii) the opponent's marks MOOSEHEAD (a word mark) and MOOSEHEAD Design (illustrated below) previously used by the opponent in Canada in association with a variety of "novelty" wares and clothing items;

(3) that the applicant is not entitled to registration, pursuant to Section 16(3)(b), because the applied for mark is confusing with two trade-mark applications (copies of which were attached as schedules to the statement of opposition) filed by the opponent for the above mentioned marks MOOSEHEAD and MOOSEHEAD Design covering, inter alia, clothing items;

(4) that the applied for mark is not distinctive of the applicant's clothing wares.

The applicant filed, and served, a counter statement generally denying the grounds of opposition.

The opponent's evidence consists of the affidavit of L.M. Robinson, Corporate Secretary of the opponent company, and two affidavits of Donna Harris, a trade-mark searcher. The Harris affidavits serve to introduce state of the register evidence, and evidence regarding pending applications.

The applicant's evidence consists of the affidavits of Kenneth

Wayne Smith, a Regional Manager with the applicant company, and of Jill Holmes, a clerk with the firm then acting as agent for the applicant. Paragraphs 2 and 3 of the Holmes affidavit read as follows:

The search report and the copies of trade-mark registrations annexed to the search report are inadmissible hearsay because it is clear that Ms. Holmes did not conduct the search and was not at the Trade-Marks Office to make photocopies of the registrations - see Maximum Nutrition Ltd. v. Kellogg Salada Canada Inc. (1985), 7 C.P.R.(3d) 520 at pp. 522-24 (TMOB); appeal dismissed (1987), 14 C.P.R.(3d) 133 (F.C.T.D).

At the oral hearing the agent for the applicant requested leave to file additional evidence (pursuant to Rule 46(1) of the Trade-Marks Regulations), namely certified copies of five registrations attached to the Holmes affidavit. The agent for the opponent objected. I indicated at the oral hearing that the applicant could speak to the additional evidence, but that I would rule on the applicant's request as part of this decision. Considering (i) the late date at which the evidence was submitted, (ii) that the only apparent reason for the late filing was that the present agent for the applicant had only recently become involved in the case, (iii) the inability of the opponent to investigate or respond to the evidence, and (iv) considering that the evidence submitted does not appreciably advance the applicant's case, the

applicant's request for leave to file additional evidence is refused.

Rather than have Mr. Robinson cross-examined on his affidavit, the parties agreed to have him answer two questions in writing, which answers would be regarded as evidence in this proceeding. Those questions and answers are shown below:

Questions

Answers

Both parties filed written arguments and both were ably represented at an oral hearing.

Mr. Robinson's evidence is that the opponent was originally incorporated in 1928, and has been operating under its current name Moosehead Breweries Limited since 1947. The opponent has been selling ale under its word mark MOOSEHEAD (Regn. No. 121,747) since 1928, and began to use drawings of moose heads in conjunction with its word mark MOOSEHEAD in about 1931 - see exhibit L to Mr. Robinson's affidavit. The depictions of moose heads used by the opponent since 1931, and particularly since 1948, are quite similar to the depiction in Regn. No. 320,108. The opponent has sold beer

and brewed alcoholic beverages under its trade-mark Regn. Nos. 252,475; 320,108; 336,528 (illustrated below) since 1980.

Regn. 336,528

The opponent began operating a retail store in New Brunswick under the trade-mark MOOSEHEAD COUNTY STORE in June, 1987. The opponent sells various items of clothing including jackets, shirts, and sweaters bearing the opponent's word mark MOOSEHEAD and the opponent's mark MOOSEHEAD Design through that store - see exhibit O to the Robinson affidavit. Additionally, the opponent's unequivocal and uncontradicted evidence is that it first sold items of clothing under its above mentioned marks in November, 1983.

The evidence shows that the opponent uses its above mentioned marks, namely the word MOOSEHEAD and MOOSEHEAD Design, together, in generally circular or oval shaped logos, with the word mark MOOSEHEAD appearing above MOOSEHEAD Design, for both its brewed alcoholic products and for its clothing wares. I find that the moose head depiction in the applied for mark bears a strong resemblance to the applicant's MOOSEHEAD Design. I also find that the applied for mark as a whole bears a strong visual resemblance -in mirror image - to the above mentioned logos that have been used by the opponent.

The opponent's sales values and advertising expenditures for its brewed alcoholic products are impressive, averaging about \$97 million and \$6 million, respectively, per year, for the period 1980-83 inclusive, and \$137 million and \$12 million, respectively, per year, for the period 1984-88 inclusive - the figures for

1984-88 include sales and advertising for clothing and novelty items in addition to brewed alcoholic beverages.

On my reading of Mr. Robinson's affidavit, the above figures, for each of the years 1980-1988, represent the combined total of sales values and advertising expenditures for Canada, the United States, and other unspecified foreign countries.

It is, therefore, difficult to make any meaningful inferences regarding the extent to which the opponent's marks have become known in Canada because of the lack of specificity in the evidence relating to extent of sales to Canadians and the extent of advertising reaching Canadians.

I fully accept Mr. Robinson's statements that his company began using its various trade-marks for clothing, and for "novelty" items, to present advertising as well as to generate an additional source of revenue. I also accept that the parties' clothing wares could be presented to the public at the same retail outlets. I give only limited weight to the opponent's assertions (supported to some extent by photocopies of trade-mark registrations and applications attached as exhibits to one of the Harris affidavits, and by exhibit H-H of the Robinson affidavit) that his company's largest competitors namely, The Molson Companies Limited, Carling O'Keefe Breweries of Canada Limited, and John Labatt Limited initiated, or were about to initiate (in about May 1989, the date Mr. Robinson swore his affidavit) similar programs in relation to clothing wares.

In its written argument, as well as at the oral hearing, the opponent did not pursue its ground of opposition based on Section 16(3) (b), admitting that the trade-mark applications it relied upon were not filed until after the material date April 8, 1987.

Much of the opponent's argument is directed towards its fourth

ground of opposition, namely that the applied for mark cannot be distinctive of the applicant's clothing wares .

With respect to this ground of opposition, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares from those of others throughout Canada - see Muffin Houses Inc. v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (TMOB). The presence of a legal burden on a party means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against that party.

The material time for considering the circumstances respecting the issue of distinctiveness is as of the filing of the opposition - see Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.); Molnlycke Aktiebolag v. Kimberky-Clark Ltd. (1982), 61 C.P.R.(2d) 42 at 52 (F.C.T.D.); Work Wear Corp. v. Triple G. Mfg. Inc. (1990), 32 C.P.R.(3d) 463 at 467 (F.C.T.D.); Murjani Int'l Ltd. v. Universal Impex Co. Ltd. (1986), 12 C.P.R.(3d) 481 at 484 (F.C.T.D.) and Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.). In the instant case the parties agreed that the material date is August 29, 1988.

The opponent argues that the applied for mark is not distinctive of the applicant's wares because the opponent had used its word mark MOOSEHEAD and its design mark MOOSEHEAD, together, in logos that bear a strong visual resemblance to the applied for mark. The opponent's position is set out in paragraph 21 of its written argument, shown below:

There is no doubt that the opponent's marks MOOSEHEAD and MOOSEHEAD Design are inherently distinctive of brewed alcoholic beverages and of clothing. However, as discussed above, the evidence filed by the opponent is not specific enough to allow me to make meaningful inferences regarding the extent to which the opponent's above mentioned marks had become known in Canada at the material date August 29, 1988. I may possibly be able to infer from the evidence that the opponent's marks had, by virtue of long use, become known to some extent, in association with brewed alcoholic beverages, in the province of New Brunswick; I could not make a similar inference for clothing wares.

The opponent's argument assumes that (i) by the material date the public was accustomed to seeing items of clothing bearing logos usually seen in association with brewed alcoholic beverages (ii) even if there were no such connection established between brewed alcoholic beverages and clothing, the public was already so familiar with the opponent's trade-marks that it would assume that the applicant's wares were approved, licensed or sponsored by the



opponent.

I cannot accept the opponent's argument because the evidence of record does not support the above assumptions. The opponent has failed to establish the extent to which its marks were known in Canada, or that there was, at the material date, a connection between clothing and brewed alcoholic beverages. In the circumstances I conclude that the average consumer would not, as a matter of first impression and imperfect recollection, think that the applicant's clothing wares emanate from the opponent - see Carling Breweries Ltd. v. PPG Industries Canada Ltd. (1978), 38 C.P.R.(2d) 103 at pp. 106-107 (TMOB). The result may well have been different had the opponent been more specific regarding its activities in Canada.

The same surrounding circumstances are to be considered with respect to the remaining grounds of opposition, except that the material dates are different, namely the date of my decision with respect to the ground pursuant to Section 12(1)(d), and the date of filing the subject application with respect to Section 16(3)(a) as set out in that section:

Section 16(3)

Any applicant who has filed an application  
...for registration of a proposed trade-mark  
...is entitled...to secure its registration  
... unless **at the date of filing the application**  
it was confusing with  
    (a) a trade-mark that had been  
        **previously used** in Canada  
        ...by any other person;

There is a requirement for the opponent to establish a reputation in the trade for the mark it is relying upon in support of its ground of opposition pursuant to Section 16(3)(a). The opponent can meet this requirement by showing that the mark relied upon actually functioned as a trade-mark - see British Petroleum Co. Ltd. v.

Bomardier Ltd. (1971), 4 C.P.R.(2d) 204 (F.C.T.D.), affirmed 10 C.P.R.(2d) 21 (F.C.A.); see in particular Domtar Inc. v. Ottawa Perma-Coating Limited (1985), 4 C.I.P.R. 147 (TMOB). I am satisfied that the opponent's evidence shows that the opponent's marks MOOSEHEAD and MOOSEHEAD Design meet this requirement. Even the evidence submitted by the applicant, albeit hearsay, supports the opponent's position that it was selling items of clothing under its MOOSEHEAD logos - see paragraphs 2-4 of the Smith affidavit, shown below:

In summary, I am satisfied that the opponent has met the prerequisites necessary to rely on Section 16(3)(a) as pleaded in the ground of opposition denoted 2(ii), that is, (i) use, as a trade-mark, of MOOSEHEAD and MOOSEHEAD Design in association with clothing (ii) that such use was prior to the material date April 8, 1987. I am also satisfied that the opponent did not abandon its above mentioned marks at the date of advertisement of the subject application as required by Sections 16(5) and 17(1).

This ground of opposition, denoted 2(ii), turns on the issue of confusion, within the meaning of section 6(2), between one, or both, of the marks relied on by the opponent, namely MOOSEHEAD and MOOSEHEAD Design, and the applied for mark. The legal onus is on the applicant show that there would not be a reasonable likelihood of confusion between its applied for mark and the opponent's mark(s). In considering the issue of confusion, the Registrar is to have regard to all the surrounding circumstances including those enumerated in Section 6(5).

All of the surrounding circumstances discussed above in relation to the issue of the distinctiveness of the applied for mark are also relevant to the issue of confusion between the marks in question. The most important of the surrounding circumstances, with respect to the issue of confusion, is that the opponent used its marks together, on clothing wares essentially identical to the applicant's clothing wares, in a logo very similar to the applied for mark, **before the applicant filed its proposed use application.** Considering further the potential for the parties' wares to be presented to the public through the same retail outlets, and keeping in mind that the test for confusion is one of first impression and imperfect recollection, I find that the applied for mark would cause confusion with either of the marks MOOSEHEAD or MOOSEHEAD Design relied upon by the opponent.

If I am wrong in finding that the marks in question are confusing, then I find that the applicant has not met its legal burden to show that there is no reasonable likelihood of confusion. In this regard, the evidence filed by the applicant is of little probative value - even if I had taken the Holmes affidavit into consideration - and the jurisprudence relied on by the applicant pertain to cases that are distinguishable on their facts from the case at hand.

The opponent is therefore successful on its ground of opposition pursuant to Section 16(3)(a), relying on its marks MOOSEHEAD and MOOSEHEAD Design used in association with clothing,

and the remaining grounds of opposition need not be considered.

In view of the above, the applicant's application is refused.

Dated at Hull, Quebec, this 28th day of February, 1992.

Myer Herzig,  
Member,  
Trade-Marks Opposition Board.