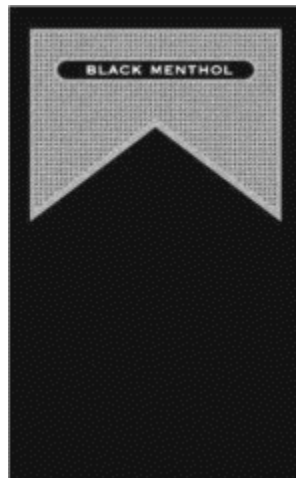


LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2014 TMOB 220
Date of Decision: 2014-10-06

**IN THE MATTER OF AN OPPOSITION
by Imperial Tobacco Canada
Limited/Marlboro Canada Limited to
application No. 1,424,232 for the trade-
mark BLACK MENTHOL & Design in
the name of Philip Morris Brands Sàrl.**

[1] Imperial Tobacco Canada Limited (Imperial Tobacco) and Marlboro Canada Limited (Marlboro Canada) (sometimes collectively referred to as the Opponent) oppose registration of the trade-mark BLACK MENTHOL & Design (the Mark), as shown below, which is the subject of application No. 1,424,232.



[2] The application was originally filed by Philip Morris Products S.A. (PMPSA) on January 12, 2009 and is based upon proposed use of the Mark in Canada in association with the following wares (the Wares):

(1) Tobacco, raw or manufactured; tobacco products, namely cigars, cigarettes, cigarillos, tobacco for roll your own cigarettes, pipe tobacco, chewing tobacco, snuff tobacco, kretek; tobacco substitutes (not for medical purposes); smokers' articles, namely cigarette paper and tubes, cigarette filters, tobacco tins, cigarette cases and ashtrays, pipes, pocket rollers for cigarettes, lighters; matches.

[3] On or about November 30, 2012, a change of title was registered from PMPSA to Philip Morris Brands Sàrl (hereinafter referred to collectively with PMPSA as the Applicant).

[4] The opposition was brought by the Opponent under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act). The determinative issue in this proceeding is whether the Mark is confusing with Marlboro Canada's trade-mark MARLBORO that has been previously used and registered in Canada in association with cigarettes.

[5] For the reasons explained below, the opposition is rejected.

The record

[6] The application was advertised for opposition purposes in the *Trade-marks Journal* of April 7, 2010. The Opponent filed a statement of opposition on June 6, 2010. The grounds of opposition alleged, among others, that:

- the application is null and void since it does not meet the requirements of section 30(i) of the Act as the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Wares since the Applicant is unfairly competing with the Opponent by expressly and intentionally creating confusion with a trade-mark acquired by a predecessor in title of Marlboro Canada from none other than a predecessor in title of the Applicant, contrary to section 7(b) of the Act and section 1457 of the *Quebec Civil Code*;
- the Mark is not registrable pursuant to section 12(1)(d) of the Act as it is confusing with Marlboro Canada's trade-mark MARLBORO;

- the Applicant is not the person entitled to registration of the Mark pursuant to section 16(3)(a) of the Act as it is confusing with the trade-mark MARLBORO that has been used by the Opponent since well before the date of filing of the application for the Mark; and
- the Mark is not distinctive in that it neither distinguishes nor is it adapted to distinguish the Wares from those of the Opponent as the Mark is confusing with Marlboro Canada's trade-mark MARLBORO.

[7] The Applicant filed and served a counterstatement denying the Opponent's allegations and all grounds of opposition.

[8] As its evidence under section 41(1) of the *Trade-Marks Regulations* (SOR/96-195) (the Regulations), the Opponent filed the following:

- the affidavit of Paul Furfaro, Brand Manager at the House of PLAYER'S Group of Imperial Tobacco, sworn on February 7, 2011. Mr. Furfaro was cross-examined on his affidavit and the transcript of his cross-examination and answers to undertakings form part of the record. The evidence introduced through Mr. Furfaro's cross-examination is largely the same as that of Ed Ricard, the Division Head, Marketing Research & Information of the Marketing Division of Imperial Tobacco Canada Ltd, the Opponent's affiant in related opposition matters between the parties concerning application Nos. 1,298,547; 1,299,494; and 1,335,783. Mr. Ricard's affidavit, cross-examination and attached exhibits from those related matters were incorporated by reference into the testimony of Mr. Furfaro during his cross-examination;
- the affidavit of Chuck Chakrapani, President of Leger Marketing, visiting professor at the Ted Rogers School of Management at Ryerson University and Chief Knowledge Officer of the Blackstone Group in Chicago, sworn on February 2, 2011. Dr. Chakrapani was cross-examined on his affidavit and the transcript of his cross-examination and answers to undertakings form part of the record;

- the affidavit of Naomi Machado, an assistant employed by the Opponent's agent, sworn on February 4, 2011, attaching the affidavit of Robert Klein, sworn on November 16, 2009, which was filed as evidence by the Applicant in *Philip Morris Products SA and Rothmans, Benson & Hedges, Inc v Marlboro Canada, Ltd and Imperial Tobacco Canada, Ltd* (2010), 90 CPR (4th) 1 (FC) (de Montigny J.) (hereinafter *Philip Morris 2010*);
- a certified copy of registration No. TMDA55,988 for the trade-mark MARLBORO;
- a certified copy of the decision rendered on November 1, 1985, by Mr. Justice Rouleau of the Federal Court of Canada, Trial Division, in Federal Court file No. T-3387-81 [reported as *Philip Morris Incorporated v Imperial Tobacco Ltd* (1985), 7 CPR (3d) 254 (hereinafter *Philip Morris 1985*)];
- a certified copy of the decision rendered on September 19, 1987 by Mr. Justice MacGuigan of the Federal Court of Canada, Appeal Division, in Federal Court file No. A-906-85 [reported as *Philip Morris Inc v Imperial Tobacco Ltd (No 1)* (1987), 17 CPR (3d) 289 (hereinafter *Philip Morris 1987*)]; and
- a certified copy of the prosecution history for Canadian trade-mark application No. 1,182,039 for the trade-mark ROOF.

[9] The Opponent further filed under section 43 of the Regulations the following:

- a certified copy of the decision rendered on June 29, 2012, by Madam Justice Gauthier of the Federal Court of Appeal of Canada in Federal Court of Appeal file No. A-463-10 [reported as *Marlboro Canada Limited and Imperial Tobacco Canada Limited v Philip Morris Products SA and Rothmans Benson & Hedges Inc* (2012), 103 CPR (4th) 259 (hereinafter *Philip Morris 2012*)].

[10] The Opponent further obtained leave from the Registrar under section 44(1) of the Regulations to file the following:

- a certified copy of the response to the application for leave to appeal to the Supreme Court of Canada in Supreme Court of Canada file No. 35001, filed with the Court on October 29, 2012; and
- a certified copy of the decision rendered on March 21, 2012, by the Supreme Court of Canada, file No. 35001, dismissing the application for leave to appeal.

[11] As its evidence under section 42(1) of the Regulations, the Applicant filed the following documents:

- a certified copy of the decision rendered on November 8, 2010, by Mr. Justice de Montigny of the Federal Court of Canada in *Philip Morris 2010*;
- a certified copy of the pleading named FURTHER AMENDED STATEMENT OF CLAIM dated March 1, 2010, filed in Federal Court File No. T-1784-06 [the Court file having led to the decision in *Philip Morris 2010*];
- a certified copy of the pleading named SECOND FURTHER AMENDED REPLY AND DEFENCE TO COUNTERCLAIM dated March 1, 2010, filed in Federal Court File No. T-1784-06;
- a certified copy of the pleading named SECOND FRESH AMENDED STATEMENT OF DEFENCE AND COUNTERCLAIM dated March 10, 2010, filed in Federal Court File No. T-1784-06;
- a certified copy of the pleading named REPOSE AMENDÉE À LA DÉFENSE À LA DEMANDE RECONVENTIONNELLE AMENDÉE dated March 19, 2010, filed in Federal Court File No. T-1784-06; and
- certified copies of the Applicant's associated trade-mark registration Nos. TMA111,226; TMA252,082; TMA252,083; TMA254,670; TMA274,442; TMA465,532; and TMA670,898.

[12] The Applicant further obtained leave from the Registrar under section 44(1) of the Regulations to file the following:

- a certified copy of the notice of application for leave to appeal to the Supreme Court of Canada, Supreme Court of Canada file No. 35001, filed with the Court on September 28, 2012, from the decision rendered by Madam Justice Gauthier in *Philip Morris 2012*;
- a certified copy of the memorandum of the argument filed for the application for leave to appeal to the Supreme Court of Canada, Supreme Court of Canada file No. 35001, filed with the Court on September 28, 2012; and
- a certified copy of the reply on leave to appeal to the Supreme Court of Canada, Supreme Court of Canada file No. 35001, filed with the Court on November 8, 2012.

[13] Both parties filed written arguments and were ably represented by counsel at a hearing during which the Opponent withdrew some of the grounds of opposition. In particular, the ground of opposition based upon section 30(i) of the Act was withdrawn in its entirety except as it relates to the section 7(b) ground. Likewise, the grounds of opposition based upon non-entitlement under section 16 of the Act and non-distinctiveness under section 2 of the Act were partially withdrawn with respect to the allegation that the Mark is confusing with the trade-name Marlboro Canada.

The parties' respective burden or onus

[14] The Opponent has the initial evidentiary burden to establish the facts alleged to support each ground of opposition. Once that burden is met, the legal burden or onus that the Mark is registrable remains on the Applicant, on a balance of probabilities [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); and *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].

Overview of the history and the facts of the present case

[15] The parties to the present proceeding are not strangers. They have a long history with respect to the use of the trade-mark MARLBORO in Canada and have been involved in this regard in a few legal disputes, including the ones referred to above, before the Federal Court in

Philip Morris 1985, upheld by the Federal Court of Appeal in *Philip Morris 1987* and *Philip Morris 2010*, overturned in part by the Federal Court of Appeal in *Philip Morris 2012*.

[16] The history of the use of the trade-mark MARLBORO and how it became registered in the name of Marlboro Canada in Canada is reflected in Messrs. Furfaro's and Ricard's affidavits and was also reviewed and described in detail by Mr. Justice Rouleau in *Philip Morris 1985* and by Mr. Justice de Montigny in *Philip Morris 2010*. It is not disputed by the parties in the present proceeding.

[17] The history of the use of the "roof" geometric design (described below) by the Applicant and its predecessors, as reflected in Messrs. Furfaro and Ricard's evidence, was also reviewed and described in detail by Mr. Justice de Montigny in *Philip Morris 2010* and is not disputed by the parties.

[18] More particularly, both parties rely upon these judicial findings of fact, as well as the evidence of Messrs. Furfaro and Ricard, which discloses the following:

- The Applicant's predecessors in title and former affiliated companies (hereinafter sometimes collectively referred to as Philip Morris) started marketing and selling cigarettes in association with the trade-mark MARLBORO in the United Kingdom in 1883 and expanded their market by distributing these products in Canada in or about 1905. [*Philip Morris 2010* at para 12]
- The trade-mark MARLBORO in Canada was sold by a predecessor in title of the Applicant to a predecessor in title of Marlboro Canada some time in the 1920s and was then registered in Canada in 1932 under No. 55,988 in association with "tobacco in all its forms and particularly to be used in connection with the sale of cigarettes, cigarette papers, cigarette tubes, tobacco, snuff, and cigars". It has since then been continuously used in Canada by the Opponent and its predecessors in title in association with cigarettes. Philip Morris, on the other hand, owns the rights in the trade-mark MARLBORO throughout the world with the exception of Canada. [*Philip Morris 2010* at para 14; Ricard affidavit at paras 8-17; Furfaro affidavit at paras 10-19]

- In the early 1950s, long after the Opponent’s predecessor acquired an interest in the word mark MARLBORO in Canada, Philip Morris redesigned its cigarette packaging and image for the cigarettes it sold in international markets (i.e. outside Canada) in association with its MARLBORO trade-mark. The package design incorporated a striking red “roof” geometric design (hereinafter the “ROOFTOP design”). A reproduction of Philip Morris’ redesigned cigarette pack is shown below:



[*Philip Morris 2010* at paras 20-21; Ricard affidavit at para 18; Furfaro affidavit at para 20]

- Philip Morris also undertook advertising campaigns to market its newly-configured and redesigned product. The ads featured rugged cowboys working in “Marlboro country” and featured phrases including “Come to Where the Flavor Is”. The advertisements were widely disseminated outside Canada and became very well known in international markets. [*Philip Morris 2010* at para 24; Ricard affidavit at paras 18 and 24; Furfaro affidavit at paras 20 and 26]
- The international Philip Morris MARLBORO cigarette product and package redesign and the advertising campaigns were highly successful, and are today recognized among the most successful ever. By 1972, Philip Morris MARLBORO cigarettes became the number one selling cigarette in the world. Today, the Philip Morris MARLBORO cigarettes remain the best selling cigarettes in the world.

[*Philip Morris 2010* at para 25; Ricard affidavit at paras 19-21; Furfaro affidavit at paras 21-23]

- Two other products were sold in Canada using the ROOFTOP design. In 1958, the Applicant's predecessor began selling the MATADOR brand of cigarettes in Canada. The product was sold in packages using substantially all of the elements of the Philip Morris MARLBORO products sold elsewhere in the world by the Applicant, except that the word MATADOR appeared on the packages instead of the word MARLBORO. Also sold by the Applicant's predecessors starting in approximately 1970 was the MAVERICK brand of cigarettes, which was discontinued in approximately 1978. The sales of MATADOR and/or MAVERICK brand cigarettes sold in such packages were never significant and the distribution thereof was fairly limited. [*Philip Morris 2010* at paras 26-30; Ricard affidavit at para 26; Furfaro affidavit at para 28]
- The Applicant and/or its predecessors have, throughout the years, registered in Canada several of the various elements of the redesigned Philip Morris MARLBORO brand depicted above, as set out in the attached Annex "A". [*Philip Morris 2010* at para 6; Ricard affidavit at para 23; Furfaro affidavit at para 25];
- Between 1958 (date of the first registration of a ROOFTOP design mark by the Applicant and/or its predecessors) and 2006 (date of the latest version of the ROOFTOP design mark registered by the Applicant), the various elements of the Philip Morris MARLBORO brand packaging, whether used and/or subject of any of the trade-mark registrations listed in Annex "A", were always used in association with either the MATADOR or MAVERICK brand names. However, in 2006, the Applicant, through its Canadian licensee, began selling cigarettes with the Philip Morris package get-up with no brand name (which the Applicant refers to as the "Rooftop"). Copies of photographs of these cigarette packages, which were offered in a red, silver and gold version (allegedly different strengths of tobacco), are

reproduced below:



[*Philip Morris 2012* at para 10; Ricard affidavit at paras 26 and 30; Furfaro affidavit at paras 28 and 37]

- The get-up or label of the no-name product is unique in that, for the very first time in the world, cigarettes were offered for sale in a package with no brand name (or no word mark). [*Philip Morris 2012* at para 10; Ricard affidavit, Exhibit ER-13; Furfaro affidavit, Exhibit PF-14]
- The Opponent objected to the launch of the no-name brand cigarettes and alleged that they infringed the registered trade-mark MARLBORO. An action was then commenced in Federal Court, by which the Applicant sought a declaration that the sale of its “Rooftop” cigarettes (that is the no-name brand cigarettes) in Canada does not infringe any rights of the Opponent, and specifically, that the sale of the “Rooftop” cigarettes in packaging that bears the ROOFTOP design mark, is not confusing with the word mark MARLBORO. The Opponent responded with a counterclaim alleging precisely that infringement, which dispute ultimately led to the decisions in *Philip Morris 2010* and *Philip Morris 2012*.
- Contemporaneously to this latter dispute (sometimes hereinafter referred to as the No-name Brand Litigation Proceeding), the Applicant applied for the registration of the Mark as well as more than a dozen other trade-marks made up of or comprising

the ROOFTOP design element or a variant thereof, which have all been opposed by the Opponent. The present decision deals with the subject Mark only.

[19] As I will be often referring to the decisions in *Philip Morris 2010* and *Philip Morris 2012*, I wish to put these decisions in context before analyzing the grounds of opposition.

The *Philip Morris 2010* and *Philip Morris 2012* decisions

[20] As stressed by both Mr. Justice de Montigny and Madam Justice Gauthier, the parties' dispute is unique in that it raised an issue that had never been previously addressed. In essence, the Applicant was asserting that it did not infringe the Opponent's trade-mark. It claimed to be merely using a packaging design whose elements were created for and are owned by the Applicant and which are the subject of trade-mark registrations in Canada. Furthermore, it argued that there was no source confusion, nor had there been any confusion as to what product the Rooftop packages contain. According to its argument, preventing the Applicant from identifying and selling its Rooftop products in Canada would be tantamount to abuse and overextension of whatever trade-mark rights the Opponent may have in the word mark MARLBORO. The Opponent, on the other hand, submitted that the Applicant had deliberately invited consumers to associate its products with the internationally-known MARLBORO brand by using the same package dressing and by declining to label them with any particular brand name. In doing so, the Applicant would be implicitly usurping the Opponent's rights in the word mark MARLBORO [*Philip Morris 2010* at paras 3-4].

[21] As indicated by Madam Justice Gauthier, the trial judge had to address various issues relating to the parties' trade-marks, as well as a claim of copyright infringement. Both parties appealed various portions of Mr. Justice de Montigny's decision granting only in part the relief sought by the Applicant and dismissing the claim of the Opponent for infringement of its registered Canadian trade-mark MARLBORO, as well as its request to strike out the registrations for six of the Applicant's trade-marks relating to its ROOFTOP design marks, namely the ones listed in the attached Annex "A".

[22] More particularly, the Opponent appealed the dismissal of its trade-mark infringement counterclaim and the trial judge's refusal to strike out the Applicant's registered trade-mark

TMA670,898. The Applicant for its part appealed the trial judge's dismissal of its copyright infringement claim, the trial judge's ruling that the Opponent's registration of MARLBORO is still valid and the trial judge's ruling that the Opponent was not estopped from challenging the registration of the Applicant's various ROOFTOP design marks, particularly TMA670,898.

[23] The Court of Appeal granted the Opponent's appeal from the dismissal of its trade-mark infringement counterclaim in respect of the unregistered label (front and side) of the Applicant's no-name cigarette package. It otherwise dismissed the Opponent's appeal from the trial judge's refusal to strike out the Applicant's registered trade-mark TMA670,898, and further dismissed the Applicant's appeal in its entirety.

[24] I will not review in detail the various findings made by the Federal Court, but only the most relevant ones that apply to the present proceedings as I will go through the analysis of the remaining grounds of opposition in light of the submissions made by the parties.

Analysis of the remaining grounds of opposition

Non-registrability of the Mark under section 12(1)(d) of the Act

[25] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of section 12(1)(d) of the Act in that it is confusing with Marlboro Canada's registered trade-mark MARLBORO identified above. I have exercised the Registrar's discretion to confirm that this registration is in good standing as of today's date, which date is the material date to assess a section 12(1)(d) ground of opposition [see *Park Avenue Furniture Corp v Wickers/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)].

[26] As the Opponent's evidentiary burden has been satisfied, the Applicant must establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and Marlboro Canada's trade-mark MARLBORO.

[27] 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.

[28] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at section 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 they need not be attributed equal weight [see *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion].

a) the inherent distinctiveness of the trade-marks and the extent to which they have become known

[29] The Mark and Marlboro Canada's MARLBORO trade-mark are inherently distinctive.

[30] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. As indicated above, there is no dispute between the parties that the trade-mark MARLBORO has been continuously used in Canada by the Opponent and its predecessors in title in association with cigarettes since it was sold by a predecessor in title of the Applicant to a predecessor in title of the Opponent in the 1920s. From 2000 until the end of 2010, Canadian sales of MARLBORO brand cigarettes exceeded 14.5 million dollars, which amount represents over 85 million sticks and 4 million packs of MARLBORO brand cigarettes sold in Canada [Furfaro affidavit at para 14].

[31] By comparison, the application for the Mark is based upon proposed use in Canada. As there is no evidence of the volume or value of sales, if any, it is not possible to ascertain the extent to which the Mark has become known in Canada.

[32] The overall consideration of the section 6(5)(a) factor thus favours the Opponent.

b) the length of time the trade-marks have been in use

[33] For the reasons indicated above, this factor favours the Opponent.

c) the nature of the wares, services or business; and d) the nature of the trade

[34] As for the nature of the wares and services and the nature of the trade, I must compare the Applicant's statements of Wares with the statement of wares in the Opponent's registration [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr. Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)].

[35] There is a clear overlap between the Wares and those covered by the Opponent's registration. The Applicant and the Opponent are direct competitors in the Canadian cigarette market. The nature of their trade and their respective channels of trade are therefore identical.

[36] The overall consideration of the section 6(5)(c) and (d) factors thus favours the Opponent.

e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[37] There is absolutely no degree of resemblance in appearance or sound between the parties' marks. The contentious issue is in respect of the ideas suggested by the marks.

[38] The Opponent submits that the Mark and Marlboro Canada's MARLBORO trade-mark bear a very high degree of resemblance in the idea they suggest.

[39] The Opponent submits that the full scope of the exclusive rights that would be granted by a registration for the Mark includes the Applicant's choice to use the Mark on a package of cigarettes without a brand name, as it has done for several years since the launch of the no-name packaging reproduced above, back in 2006. However, I wish to remark that following the decision in *Philip Morris 2012*, the Applicant is restrained by a permanent injunction from

directly or indirectly selling, distributing, and/or advertising in Canada, cigarettes or other tobacco products in, or in association with, this no-name packaging. I will return to this injunction later.

[40] The Opponent submits that in view of the particularities of the cigarette market in Canada, the question that must be asked is: How would a Canadian consumer identify a package of cigarettes bearing only the Mark to a retail store clerk?

[41] The Opponent submits that as the Mark is a representation of the ROOFTOP design, one of, if not the primary design element of the world famous Philip Morris Marlboro packaging, it is not only probable but highly likely that Canadian consumers wishing to purchase cigarettes sold in packaging bearing only the Mark would refer to them as “Marlboro”. In this regard, the Opponent relies on the survey evidence not only of Dr. Chakrapani, but also of Dr. Klein filed on behalf of the Applicant in the No-name Brand Litigation Proceeding, as well as third party publications and materials distributed to retailers by of for the Applicant, as discussed below.

[42] That being so, and relying by analogy on the following passage from Madam Justice Gauthier in *Philip Morris 2012*, the Opponent submits that this results in confusion between the Mark and the MARLBORO trade-mark:

[84] [...] a number of consumers refer to the [Philip Morris]’s no name product as Marlboro. This means that, in a dark market where the trade-marks are not in view, consumers will use the same name to refer to two different products offered by two different manufacturers. This must necessarily result in confusion as to source since consumers expect that products of the same kind, which they refer to by the same name and buy through the same channels, will come from the same source. It matters little whether the situation is characterized as confusion or reverse confusion, the result is the same.

[43] By contrast, the Applicant submits that there is absolutely no degree of resemblance between the parties’ marks in the ideas they suggest.

[44] The Applicant submits that the word MARLBORO was likely derived from the name of a street or region in England. It submits that there is no connection between the Mark and the Opponent’s cigarettes and that there is no evidence to support the allegation that the Mark is

suggestive or otherwise connected in any way with the word MARLBORO. It further submits that there is no source confusion or misidentification.

[45] Before considering in more detail the evidence of record in light of the submissions made by the parties, I wish to reproduce a passage from Madam Justice Gauthier in *Philip Morris 2012*, commenting on the finding made by the trial judge with respect to the ambit of paragraph 6(5)(e) of the Act:

[72] Turning to paragraph 6(5)(e), there is no resemblance in appearance between those marks. As mentioned, the trial judge did not consider under that paragraph the fact that a number of consumers did refer to the no-name packages as Marlboro because, in his view, to consider such idea would be an unwarranted extension of the breadth of paragraph 6(5)(e). He stated that the expression “ideas suggested” should be restricted to those ideas that are inherent to the nature of the trade-marks in question (for example, the design of a penguin giving the idea of a penguin) (Reasons, at paragraph 290).

[73] If the examples used by the trial judge in paragraph 290 and in paragraph 249 of his Reasons (the word Panda evoking the same idea as a design mark depicting that animal) were meant to restrict the ambit of paragraph 6(5)(e) to ideas suggested by the literal and common meaning of a word or design, I cannot agree with this interpretation.

[...]

[75] Certainly, the dictionary meaning or common meaning and the technical meaning of a word or design are the most common suggestions considered when comparing marks, but I see no reason to ignore other suggestions acquired through marketing or use in a particular way. [...]

[76] Keeping in mind the need to adopt a purposive and contextual interpretation of paragraph 6(5)(e), I cannot see how such resemblance could be ignored. That being said, obviously when one invokes a resemblance based on something out of the ordinary, evidence will be required to satisfy the Court that the particular association or suggestion does indeed exist as a matter of fact before it is considered in the analysis under paragraph 6(5)(e).

[77] Even if I am in error and paragraph 6(5)(e) calls for a more restrictive construction, resemblance in unusual ideas suggested by any one of the marks once established would have to be considered as part of the surrounding circumstances (opening words of subsection 6(5)). Either way, it cannot be ignored.

[78] Be that as it may, in the special circumstances of this case, I prefer to consider the confusion as to the name of the product sold in the no-name package as part of the surrounding circumstances (opening words of subsection 6(5)) because of the

particularities of the cigarette retail market in Canada which are dictated by Government regulations. [Underlining mine]

[46] In the present case, the Mark is made up of the ROOFTOP design element, which looks like either a roof shape, an outline of a triangle, a polygon, or a chevron, in combination with the words BLACK MENTHOL displayed within it. Thus, if I were to adopt a more restrictive construction of section 6(5)(e), I would agree with the Applicant that there is no resemblance in terms of ideas suggested by Marlboro Canada's MARLBORO trade-mark and the Mark. However, this would not be the end of the confusion analysis. Indeed, the Opponent's argument as to the "unusual" idea suggested by the Mark would still need to be considered as part of the surrounding circumstances.

[47] Bearing in mind Madam Justice Gauthier's comments above, I will now go on to consider the "unusual" idea suggested by the Mark as part of the surrounding circumstances.

Additional surrounding circumstances

The particularities of the cigarette retail market in Canada

[48] The Canadian market is now what is called a "dark market". As explained by Mr. Justice de Montigny in *Philip Morris 2010*, the sale of tobacco products has been increasingly regulated in Canada. Not only are cigarette packages now covered with a health warning that must occupy 50% of the display surface, but all provinces have now enacted legislation banning the display of tobacco products in retail shops. Similarly, the promotion and advertisement of tobacco products is severely restricted, making it virtually impossible for tobacco manufacturers to communicate directly with consumers except in very limited circumstances. [*Philip Morris 2010* at para 53; *Philip Morris 2012* at paras 78-80].

[49] As stressed by Madam Justice Gauthier in *Philip Morris 2012*:

[80] One can understand how in such context a label that includes no brand name, or the sole use of design marks on a cigarette package to identify its source, will prompt consumers to ask for the product by using a word or words that is (are) not necessarily displayed on the product.

[50] This brings me to review the evidence of record in support of the Opponent's position that Canadian consumers wishing to purchase cigarettes sold in packaging bearing only the Mark would refer to them as "Marlboro".

The survey evidence

[51] The survey evidence filed in this proceeding is the same that was filed in the No-name Brand Litigation Proceeding, which ultimately led to the issuance by the Federal Court of Appeal of the permanent injunction mentioned above.

The survey evidence introduced through Dr. Chakrapani's affidavit

[52] As explained by Mr. Justice de Montigny in *Philip Morris 2010*, Dr. Chakrapani was presented as the Opponent's expert in marketing and surveys. His mandate was to assess the possible "misidentification" by consumers and retailers in Canada between the no-name brand product referred to above as the "Rooftop" cigarettes and the international Philip Morris brand "Marlboro" marketed outside of Canada. The survey took place before the implementation of the dark market, between January and April 2007, in Vancouver, Edmonton, Toronto, and Montreal.

[53] As summarized by Mr. Justice de Montigny, for the Consumer Study, interviewers showed smokers de-branded Rothman, de-branded Dunhill and Rooftop packages. They were first asked for each brand: "Can you tell me the brand name of this cigarette or not?" They were then asked: "Why do you say that?" Anything else?" The reason why Dunhill and Rothman brands were also shown was to correct for random guessing, since they shared common elements of the international Philip Morris brand. The three brands were presented on a clipboard and their order was rotated to minimize possible order bias. On average, one out of four smokers interviewed "misidentified" the Rooftop brand as "MARLBORO". The main reasons given by smokers were the colour scheme, the graphic design on the package and the familiarity with the brand [*Philip Morris 2010* at paras 140-141].

[54] As further summarized by Mr. Justice de Montigny, in the second study, retailers drawn from the same cities were visited, on two separate occasions, by interviewers who identified themselves as consumers. During the first visit, the interviewer pointed to the Rooftop package

and asked: “What’s that brand?”, followed by “What can you tell me about it?” During the first visit, almost one third of all retailers “misidentified” the Rooftop brand as “MARLBORO”. Only one in five identified it as “Rooftop”. In response to the second question during the first visit, 49% of those who misidentified the product as “MARLBORO” could not or would not say anything further. The remaining 51% gave various responses, including the following: it is a new brand, it is Canadian or American, it is a popular brand, it is a type of MARLBORO or made by Marlboro, etc. During the second visit, when asked if they carried “MARLBORO”, retailers pointed to or handed over the Rooftop brand in 38% of the cases [*Philip Morris 2010* at para 142].

[55] As stressed by the Applicant, Dr. Chakrapani’s studies were not designed to test consumer reactions to the present Mark *per se* but to a no-name brand product made of a particular combination of various elements, including:

- the ROOFTOP design element;
- the PM crest;
- the words “filter cigarettes” in a white oval bubble in the coloured background of the ROOFTOP geometric design;
- the phrase “COME TO WHERE THE FLAVOR IS”, as well as a reference to “WORLD FAMOUS IMPORTED BLEND”.

[56] It is this very combination of elements on the no-name package as a whole that was tested. That being so, I find that little weight, if any, ought to be afforded to Dr. Chakrapani’s survey evidence in the present proceeding. Indeed, while I find merit to the Opponent’s argument that the ROOFTOP design element was one of the primary design elements of the no-name package, I am not prepared to infer that such design element taken in isolation would have necessarily led to the same result, much the less the Mark as it includes the words BLACK MENTHOL. These words cannot be ignored, especially when sounded.

[57] In view of these findings, it is unnecessary to address the Applicant’s submissions with respect to the inherent methodological and technical problems with Dr. Chakrapani’s survey.

The survey evidence introduced through Dr. Klein's affidavit

[58] As explained by Mr. Justice de Montigny in *Philip Morris 2010*, Dr. Klein was presented as the Applicant's expert in marketing and surveys. He presented the results of two surveys he conducted in four shopping malls throughout Canada (Vancouver, Edmonton, Toronto and Montreal).

[59] As summarized by Mr. Justice de Montigny, in the first survey (the "Rooftop survey"), respondents were shown the Rooftop package (that is the no-name brand product referred to above as the "Rooftop" cigarettes) and asked questions regarding their recognition of its source. The purpose of that study was to assess consumer views, if any, on the product origin or source of the Rooftop cigarette package. The purpose of the second study (the "Marlboro Canadian study"), was to assess consumer views on the product origin of the Opponent's MARLBORO's Canadian cigarette package [*Philip Morris 2010*, at paras 125 and 127].

[60] As summarized by Mr. Justice de Montigny, Dr. Klein's study led to the conclusion that the vast majority of Canadian smokers interviewed did not recognize the Rooftop packages, and only 15% stated that they would call them Marlboro. Almost all of those consumers who would call or refer to the Rooftop package as "Marlboro" based that response on their familiarity with the MARLBORO product marketed outside of Canada by Philip Morris. There was no confusion as to the origin or source of the Rooftop product: those respondents, who thought the source of the Rooftop product was Philip Morris, for whatever reason, were clearly not mistaken. None of the respondents who called the Rooftop package "Marlboro" associated it with the Opponent's Canadian Marlboro brand [*Philip Morris 2010* at paras 126, 269, and 271].

[61] As was the case with Dr. Chakrapani's survey evidence discussed above, Dr. Klein's studies were not designed to test consumer reactions to the present Mark *per se* but to a no-name brand cigarette package made of the particular combination of elements mentioned above. That being so, I find that little weight, if any, ought to be afforded to Dr. Klein's affidavit in the present proceeding.

Conclusion – re survey evidence

[62] To conclude on this point, I wish to reproduce a passage from Madam Justice Gauthier in *Philip Morris 2012*, emphasizing what the above surveys were meant to test:

[108] In any event, the surveys filed in evidence were not specifically designed to test whether consumers associated the name Marlboro to cigarette packages bearing only each individual ROOFTOP design mark essentially as registered. What was presented to the participants in the survey by both parties' experts was the no-name package as a whole.
[Underlining mine]

[63] Again, with due respect for the Opponent's position, I am not prepared to infer that the ROOFTOP design element taken in isolation would have necessarily led to the same result, much the less the Mark.

[64] It is worth noting in this regard that Madam Justice Gauthier found the individual marks reproduced in the attached Annex "A", used essentially as registered, not confusing with the Opponent's MARLBORO trade-mark. It is solely the combination of the elements found on the no-name packaging that was found confusing by Madam Justice Gauthier. I will return to this point later.

The third party publications

[65] In further support of its position that Canadian consumers wishing to purchase cigarettes sold in packaging bearing only the Mark would refer to them as "Marlboro", the Opponent submits that:

[...] third party publications, some of which quote the Applicant's then licensee Rothman & Hedges, associate the no-name brand packaging to the world famous Philip Morris Marlboro packaging by virtue notably of the ROOFTOP design:

- (a) "Our belief is that consumers will see the design, see the trademark "Come to where the flavor is"...and are going to make the connection and recognize it as an American-style cigarette," Karen Bodirsky, director of public affairs for Rothmans told our reporter Matt Semansky. "We thought that using any other name, or any name at all, would detract from the design". –Affidavit of Mr. [...] Furfaro, Exhibit PF-13: Evil genius, Marketing [magazine];

- (b) “The new brand of cigarettes will be unique in that no brand name will appear on the packages sold to consumers. Instead, the product will be identified by its package design, which contains the world-famous rooftop design, as well as the trademark “Come to where the flavor is”, both of which are used by PMPSA and its affiliates outside of Canada on the Marlboro brand” – Affidavit of Mr. [...] Furfaro, Exhibit PF-14: A Marlboro by any other name would..., The Tobacco Reporter, September 2006, pages 8 & 10 [emphasis added by the Opponent]; [...] Exhibit PF-14: The United Pro Choice Smokers Rights Newsletter, Tobacco Industry: Canada Rothmans, July 26, 2006;
- (c) “The brand features package design that is almost identical to that of Marlboro, the world’s best-selling cigarette brand [...]. The colours and familiar chevron and coat-of-arms logo are the same, as is the signature tag line “Come to where the flavor is”, but the Marlboro name does not appear”; - Affidavit of Mr. [...] Furfaro, Exhibit PF-14: Rothmans introduces no-name cigarettes, Bowdens Marketing Daily (Toronto, ON), August 14, 2006;
- (d) “The brand’s chevron and coat-of-arms logo are the tobacco equivalent of the MacDonald’s golden arches, and its “come to where the flavor is” tag line is equally recognizable. Rothmans is betting these identifiers are enough to convince Canadian smokers that if they want a Marlboro, they should ask for the anonymous pack. How they should ask is another question since personally visiting convenience stores and clumsily requesting “no-name cigarettes” resulted in puzzled looks from those behind the counter” – Affidavit of Mr. [...] Furfaro, Exhibit PF-14: Killer without a name, Marketing [m]agazine.

[66] However, I note that in all of these excerpts, the ROOFTOP design is only one of the main features highlighted. The coat-of-arms logo (that is the PM crest), the tag line “Come to where the flavor is”, and the package design as a whole are also highlighted.

The materials distributed to retailers

[67] In the same vein, the Opponent submits that materials distributed to retailers by of for the Applicant clearly reference the primacy of the ROOFTOP design:

“The question is often asked, “What’s in a name”? Since 1954, the famous “rooftop” design has adorned packages around the world. It, unlike any other design, has become recognized for its high quality and rich tobacco flavor. The ROOFTOP design represents a promise of smoking satisfaction, as well as an invitation to “COME WHERE THE FLAVOR IS”. So the pack with the ROOFTOP design doesn’t need a name because after all...it is what’s inside the pack that counts [...]”

and

“Rothmans, Benson & Hedges Inc. is pleased to announce the introduction of the cigarette brand famous for its ROOFTOP design that has adorned cigarette packages around the world since 1954.

Unlike any other trademark, it has become recognized for its high quality and rich tobacco flavor”. – Affidavit of Mr. [...] Furfaro, Exhibit PF-12.

[68] While it is true that the Applicant itself puts great emphasis on the primacy of its ROOFTOP design, the fact remains that these materials were prepared for the launch of the no-name product. These materials do not evidence that a pack of cigarettes bearing only the ROOFTOP design element by itself, and much the less the Mark, would be recognized and referred to as “Marlboro”.

[69] As stressed by Madam Justice Gauthier in *Philip Morris 2012* at paragraph 76 reproduced above, “when one invokes a resemblance based on something out of the ordinary, evidence will be required to satisfy the Court that the particular association or suggestion does indeed exist”.

The prior registrations secured by the Applicant

[70] As stressed by the Opponent, section 19 of the Act does not give the owner of a registration the automatic right to obtain any further registrations no matter how closely they may be related to the original registration [see *Coronet-Werke Heinrich Schlerf GmbH v Produits Menagers Coronet Inc* (1984), 4 CPR (3d) 108 (TMOB) at 115; *Groupe Lavo Inc v Procter & Gamble Inc* (1990), 32 CPR (3d) 533 (TMOB) at 538]. Thus, the fact that the Applicant already owns the registrations listed in the attached Annex “A” does not lead to an automatic finding that the Mark is not confusing with the trade-mark MARLBORO.

[71] That being said, the fact remains that the individual ROOFTOP design marks that are listed in the attached Annex “A” were found by the Federal Court not to be confusing with the word mark MARLBORO. However, in the circumstances of that case, which, as already mentioned, were quite unique, the registrations invoked by the Applicant did not constitute an absolute defense to the Opponent’s claim that the particular combination of elements used on the no-name package (front and side) constituted infringement [*Philip Morris 2012* at paras 111-

112]. I am reproducing below the most relevant parts of Madam Justice Gauthier's assessment of the Applicant's defenses based on its registrations and on *estoppel*:

[87] At trial, [the Applicant] relied on the registration of its ROOFTOP design marks as a full and complete answer to the allegation of infringement made by [the Opponent] (*Remo* defence).

[...]

[90] However, in the case at bar, the label of the no-name package has not been registered. Also, [the Opponent] is adamant that none of the individual ROOFTOP design marks as registered by [the Applicant] is confusing with its word-mark MARLBORO. In fact, as mentioned, although these marks (except for the one registered in 2006), have been used in Canada in various combinations for very many years, none appear to have created confusion among Canadian consumers.

[91] Before the trial judge, the *Remo* defence only came into play because [the Applicant] argued that [the Opponent]'s attack on the no-name package was in fact an attack on a legitimate use of [the Applicant]'s registered ROOFTOP design marks (six different ones). In response, [the Opponent] argued, among other things, that if the combination on the no-name package is confusing, then the individual marks that are part of this combination must also be confusing and their registration should be struck (Reasons, paragraph 216).

[92] Although he noted that this argument by [the Opponent] could not be easily disposed of (Reasons, paragraph 221), the trial judge never discussed it further as he concluded that there was no likelihood of confusion.

[93] I have already found that the combination on the no-name package is confusing. Thus, I have to address the argument. In doing so, it becomes evident that the following two aspects are intimately linked: i) whether a combination of various registered and unregistered elements is regarded as a simple use of a registered mark and ii) whether, when such a combination is found to be confusing, it necessarily means that the registered marks included in it are confusing.

[...]

[96] Here, it is not disputed that one can use a registered mark in combination with other registered or unregistered elements or marks without that mark losing its distinctiveness. It all depends on the circumstances. Hence, the real question before us is whether this necessarily means that the protection of the registration of each ROOFTOP design marks can be extended to the whole of the combination in which they are used on the no-name package under review.

[...]

[99] In this case, the Registrar never considered whether the marks used in this particular combination on the no-name package met the test for registration. When the ROOFTOP design marks were individually registered, the Registrar did not have, in my view, to consider the likelihood of confusion of a composite of all [the Applicant]’s registered marks. Nor was he required to speculate as to the effect of the addition of unregistered elements on a particular label, which would include the proposed design mark.

[...]

[101] [The Applicant] correctly submits that it should not be forced to register its labels or every combination of its marks. Again, this is not the issue. If one registers a combination, one will have the benefit accruing from the said registration. If one chooses to use a combination without going through the process of registration, one will still have rights but not necessarily the same rights as those accruing from registration. This is true for every trade-mark one uses to distinguish one’s wares.

[...]

[103] To answer the real question before us, I must determine whether it is the unregistered combination alone or the individual marks, used essentially as registered, that are confusing. If the combination alone is confusing, in my view, it must necessarily be conveying a different message to the consumers than the individual registered marks. In such circumstances, the unregistered combination cannot claim the benefit of the *Remo* defence since it is not *simply* a use of the marks essentially as registered.

[104] Based on their registration, I have to assume that these marks were not confusing at the time of their registration. Is there any evidence that the situation had changed at the time the relevant proceedings were instituted? Having completed a subsection 6(5) analysis in respect of each individual mark, in my view, the answer is no.

[105] In that respect, I do not need to add to the comments I already made in paragraphs 69-71 above in respect of paragraphs 6(5)(a), (b), (c) and (d).

[106] There is no resemblance in appearance and sound (paragraph 6(5)(e)).

[107] Turning to the opening words of subsection 6(5), when the trial judge at paragraph 282 finds that there is confusion as to how to refer to the no-name package, he simply says that this was so for a “variety of reasons”. In other words, he did not find that consumers associated the word Marlboro to the no-name package because of the presence of one individual registered mark included on the said package.

[...]

[109] As mentioned, what is clear is that [the Applicant] used its registered design marks, except for the silver version registered in 2006, in other combinations for many

years without apparent problems. What appears to be different here is the fact that the combination at issue characterizes the source of the product further than any of the trade-marks previously registered or used by [the Applicant] by associating or identifying it expressly to Marlboro.

[110] Indeed, according to the evidence, [the Applicant]’s marketing department rejected the idea of using its registered word-mark ROOFTOP as part of the combination on the no-name package because it thought that such use would lead the consumer to conclude that the product was a fake, meaning that the no-name package was not from the source of its Marlboro.

[111] Based on the foregoing analysis, I conclude that the individual ROOFTOP design marks including the latest silver ROOFTOP design (TMA 670,898) are not confusing with the word-mark MARLBORO.

[112] This conclusion means that, in the particular circumstances of the case, which, as already mentioned, are quite unique, the registrations invoked by [the Applicant] do not constitute an absolute defence to [the Opponent]’s claim that the current combination of elements used on the no-name package (front and side) constitutes an infringement.
[Underlining mine]

[72] I acknowledge that Madam Justice Gauthier’s comments were made in the context of infringement and invalidity proceedings, which are distinguishable from opposition proceedings. Nonetheless, the fact remains that it was the particular combination of elements used on the no-name packaging alone that was found confusing by Madam Justice Gauthier. Similar to the present case, there was no evidence pointing to the fact that each of the *individual* ROOFTOP design marks was, by itself, confusing with the trade-mark MARLBORO.

[73] It is worth noting in this regard that as was the case in *Philip Morris 2012*, the Opponent is adamant that use of a brand name on a Philip Morris package bearing most of the other elements of the no-name package would likely be sufficient to sever the mental link or association with Marlboro. This explains why the Opponent did not object to or oppose the applications that eventually matured to become the Canadian trade-mark registrations listed in Annex “A” as, when such trade-mark applications were originally published for opposition purposes, the trade-marks subject thereof were used with either the MATADOR or MAVERICK brand name.

[74] As indicated above, the Opponent’s concern is with respect to how a Canadian consumer would identify a package of cigarettes bearing *only* the Mark to a retail store clerk.

[75] At the hearing, the Opponent submitted that the Mark is essentially made up of the ROOFTOP design element. It submitted that this element would be, by itself, “iconic” and would have “merged” with the word mark MARLBORO so that the two became with the passage of time a “unified” mark [...*marques qui avec le temps deviennent unifiées*]. In other words, based on my understanding, the Opponent submits that the ROOFTOP design cannot be dissociated from the MARLBORO mark. If that is the case, then I fail to understand how the Opponent, in the course of its argumentation and in response to one of my questions asked at the hearing, could acknowledge that use of the ROOFTOP design element with a brand name like “ROOF” could be sufficient to sever the “mental link” or association with MARLBORO? Indeed, how is it that the mere addition of such a brand name could by itself be sufficient to sweep aside the so-called iconic character of the ROOFTOP design and “intimate association” with MARLBORO? It seems to me that the Opponent’s acknowledgement contradicts its argument that the ROOFTOP design element cannot be dissociated from MARLBORO.

[76] The Opponent further took the view that the injunction issued in *Philip Morris 2012* is very case specific and could not prevent the Applicant from manufacturing and selling packages of cigarettes bearing only the Mark. As per my review of the evidence above, the Opponent also took the view that the evidence concerning the specific Rooftop no-name packaging objected to in the No-name Brand Litigation Proceeding finds application to the present case, in that it can be inferred from this evidence that a cigarette package bearing only the Mark would also be referred to as “Marlboro”. It seems to me that the Opponent wants it both ways.

[77] As I understand the Opponent’s position, from the moment that a package of cigarettes displays the ROOFTOP design or a variant thereof, with no brand name, consumers will necessarily refer to them as Marlboro. It does not matter whether or not the other elements of the no-name package launched in 2006 are present or not. If the other elements and the overall display of the cigarette package were not also important, it seems to me then that the injunction issued in *Philip Morris 2012* would indirectly prevent as well the scenario contemplated by the Opponent. I would add that the Mark includes the elements BLACK MENTHOL.

[78] In any event, even if the Mark could be used alone, I am not prepared to conclude as the Opponent wishes me to, that the idea suggested by the Mark is that of MARLBORO. For the

reasons explained above, I find that the evidence of record is insufficient to establish that such particular association or suggestion does indeed exist in the present case.

[79] Thus, I find that the overall consideration of the surrounding circumstances favours the Applicant.

Conclusion regarding the likelihood of confusion

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

[81] Having regard to my comments above, and particularly the ones under the section 6(5)(e) factor and additional surrounding circumstances, I find that there is not a reasonable likelihood of confusion between the parties' marks. Accordingly, the section 12(1)(d) ground of opposition is dismissed.

Non-entitlement ground of opposition

[82] As indicated above, the Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark pursuant to section 16(3)(a) of the Act as the trade-mark MARLBORO has been used by the Opponent since well before the date of filing of the application and the Mark is confusing therewith.

[83] In order to satisfy its evidentiary burden, the Opponent has to show that as of the filing date of the application for the Mark, the trade-mark MARLBORO had been previously used in Canada and had not been abandoned as of the date of advertisement of the Applicant's application [section 16(5) of the Act]. The Opponent has met its burden.

[84] The difference in relevant dates does not substantially affect my analysis above under the section 12(1)(d) ground of opposition. As a result, I find that the Applicant has satisfied its burden to show that there is not a reasonable likelihood of confusion between the Mark and the Opponent's trade-mark MARLBORO.

[85] The section 16(3)(a) ground of opposition is accordingly dismissed.

Non-distinctiveness ground of opposition

[86] As indicated above, the Opponent has pleaded that the Mark is non-distinctive of the Applicant in that it neither distinguishes nor is it adapted to distinguish the Wares from those of the Opponent as the Mark creates confusion with the Opponent's trade-mark MARLBORO.

[87] In order to satisfy its evidentiary burden, the Opponent has to show that as of the filing date of the present opposition, the trade-mark MARLBORO had become known to some extent in Canada at least to negate the distinctiveness of the Mark. The Opponent has met its burden.

[88] The difference in relevant dates does not substantially affect my analysis above under the section 12(1)(d) ground of opposition. As a result, my finding made above concerning the likelihood of confusion between the Mark and the trade-mark MARLBORO remains applicable. Accordingly, I find that the Applicant has satisfied its burden to show that there is not a reasonable likelihood of confusion between the Mark and the Opponent's trade-mark MARLBORO.

[89] The non-distinctiveness ground of opposition is accordingly dismissed.

Section 30(i) ground of opposition

[90] As indicated above, the Opponent has pleaded that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Wares contrary to section 30(i) of the Act in view of the Applicant unfairly competing with the Opponent by expressly and intentionally creating confusion with the trade-mark MARLBORO of the Opponent, as more fully described in the introductory paragraphs of the statement of opposition, the whole contrary to section 7(b) of the Act.

[91] The ground of opposition as pleaded revolves around the likelihood of confusion between the Mark and the trade-mark MARLBORO. I find it is unnecessary to determine whether or not the Opponent's section 30(i) ground, as pleaded, raises a proper ground of opposition or, if the Opponent has satisfied its initial evidentiary burden with respect thereto. Indeed, even if it had been found that the ground of opposition was properly pleaded and that the Opponent had satisfied its evidentiary burden, such ground would have been dismissed since my finding made

above concerning the absence of a likelihood of confusion remains applicable as of the filing date of the applications.

[92] The section 30(i) ground of opposition is accordingly dismissed.

Disposition

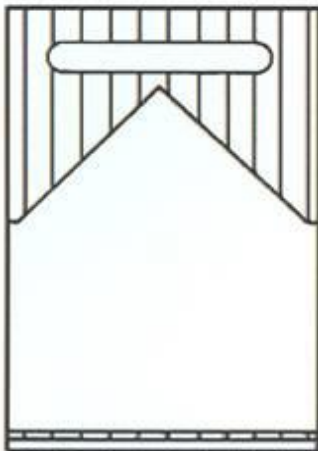
[93] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

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

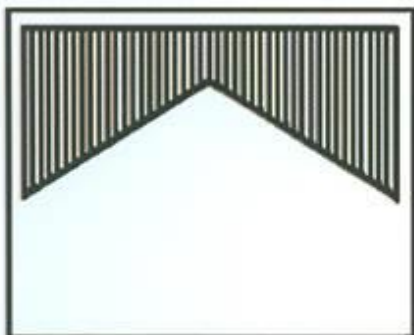
Annex "A"



Registration No.: TMA252,082
Registration Date: November 4, 1980
Filing Date: December 21, 1975
Wares: (1) Cigarettes
Based on use in Canada since August 8, 1958.



Registration No.: TMA252,083
Registration Date: November 4, 1980
Filing Date: December 21, 1979
Wares: (1) Cigarettes
Based on use in Canada since August 8, 1958.
The drawing is lined for the colour red.



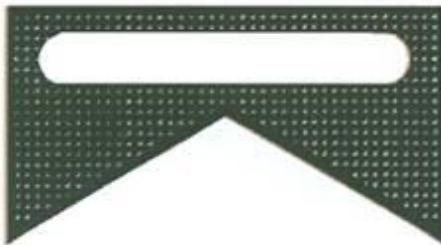
Registration No.: TMA254,670
Registration Date: January 9, 1981
Filing Date: December 21, 1979
Wares: (1) Cigarettes
Based on use in Canada since August 8, 1958
The drawing is lined for the colour red.



Registration No.: TMA274,442
Registration Date: December 3, 1982
Filing Date: October 1, 1981
Wares: (1) Cigarettes

Based on use in Canada since at least as early as 1971.

The drawing is lined for the colour gold.



Registration No.: TMA465,532
Registration Date: November 1, 1996
Filing Date: September 13, 1995
Wares: (1) Cigarettes

Based on use in Canada since April 12, 1995

The background of the design is in gold with black triangular designs thereon, no colour is claimed for the blank oval portion.



Registration No.: TMA670,898
Registration Date: August 23, 2006
Filing Date: May 25, 2005
Wares: (1) Cigarettes.

Declaration of use filed on July 28, 2006

Colour is claimed as a feature of the trade-mark. The background of the design is in silver with black triangular designs thereon, no colour is claimed for the blank oval portion. The design of the crest is in gold, the letters PM are in white on a black background and VENI VIDI VICI are in white.