

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

Citation: 2014 TMOB 224
Date of Decision: 2014-10-06

**IN THE MATTER OF AN OPPOSITION
by Imperial Tobacco Canada
Limited/Marlboro Canada Limited to
application No. 1,423,828 for the trade-
mark ROOF 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 ROOF (the Mark), which is the subject of application No. 1,423,828.

[2] The application was originally filed by Philip Morris Products S.A. (PMPSA) on January 7, 2009 and is based upon proposed use of the Mark in Canada in association with cigarettes (the Wares). 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).

[3] 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.

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

The record

[5] The application was advertised for opposition purposes in the *Trade-marks Journal* of October 7, 2009. The Opponent filed a statement of opposition on December 7, 2009. On June 21, 2010, following a request for an interlocutory ruling made by the Applicant on May 12, 2010, the Opponent requested permission to file an amended statement of opposition. On July 5, 2010 the Registrar granted the Opponent's request and dismissed the Applicant's request. The amended statement of opposition sets out, among other grounds of opposition, that:

- the application 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;
- 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 the 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 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.

[6] The Applicant filed and served a counterstatement on August 5, 2010 contesting all of the grounds of opposition.

[7] 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, and filed on February 7, 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.

[8] 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*)].

[9] 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.

[10] 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*;
- certified copies of various pleadings filed in Federal Court File No. T-1784-06 [the Court file having led to the decision in *Philip Morris 2010*];

- 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.

[11] The Applicant further obtained leave from the Registrar under section 44(1) of the Regulations to file certified copies of materials filed in relation to the application for leave to appeal to the Supreme Court of Canada, Supreme Court of Canada file No. 35001, from the decision rendered by Madam Justice Gauthier in *Philip Morris 2012*.

[12] Only the Applicant filed a written argument. Both parties were represented by counsel at a hearing during which the Opponent withdrew some of the grounds of opposition. In particular, the grounds of opposition based upon sections 30(e) and (i) of the Act were withdrawn in their entirety. 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.

Overview of the history and the facts of the present case

[13] 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*.

[14] 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.

[15] 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.

[16] 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 17-19]
- 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 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 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.

Analysis of the remaining grounds of opposition

Preliminary remarks

[17] Each of the remaining grounds of opposition revolves around the likelihood of confusion between the Mark and Marlboro Canada’s registered trade-mark MARLBORO.

[18] More particularly, the Opponent has pleaded in the introductory paragraphs of its statement of opposition that:

[...] should the Applicant intend to use and/or use the [Mark] in association with the No-name packaging, as the [Mark] is simply the word corresponding to the name and/or description of the famous “ROOF” design portion of the Philip Morris Marlboro brand packaging, and clearly evokes same, such use by the Applicant would only compound and reinforce its efforts to unfairly compete with the [Opponent] by having Canadian consumers associate the [Mark] with the Applicant’s Philip Morris Marlboro brand and, having no other brand name to refer to, refer to such cigarettes, other tobacco products or related products and accessories bearing the [Mark] by using the Opponent’s Marlboro Canada’s registered and well-known trade-mark MARLBORO thereby causing damage and irreparable harm to the [Opponent]. [My underlining]

[19] These are essentially the only allegations that were pleaded by the Opponent in support of its position that the Mark is confusing with Marlboro Canada’s registered trade-mark MARLBORO.

[20] Indeed, as indicated above, the Opponent has not filed any written argument in the present file. Furthermore, while the Opponent was represented by counsel at a hearing, it did not make any representations in support of its position in the present file. In fact, at the beginning of the hearing, which was held together with the hearing in 14 of the other trade-mark opposition files mentioned above that pertain to trade-marks made up of or comprising the ROOFTOP design element or a variant thereof (hereinafter referred to as the ROOFTOP design Opposition files), the Opponent advised this Board that it would not make any representations in the present file but only in the ROOFTOP design Opposition files. However, the Opponent did not wish to withdraw its opposition to the Mark as it was of the view that the present opposition nevertheless forms part of a larger set of pending trade-mark opposition files including, among others, the ROOFTOP design Opposition files.

[21] That being said, in the course of its argumentation and in response to one of my questions asked at the hearing in the ROOFTOP design Opposition files, the Opponent did expressly acknowledge that use of a brand name, such as the word mark “ROOF”, on the Applicant’s 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. While this acknowledgement was made in a particular context, the fact remains that the present application is for the word mark ROOF as opposed to a design mark. Thus, contrary to what is pleaded in the statement of opposition, this is not a case where the consumer would have “no other brand name to refer to”, as that was

found to be the case in the dispute having led to the decisions in *Philip Morris 2010* and *Philip Morris 2012*.

[22] Under these circumstances, I will keep my analysis relatively short.

The parties' respective burden or onus

[23] 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)].

[24] In the present case, the Opponent has met its initial evidentiary burden with respect to all three remaining grounds of opposition.

[25] Indeed, with respect to the non-registrability ground of opposition, the Opponent has filed a certified copy of its registration for the word mark MARLBORO. 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] With respect to the non-entitlement ground of opposition under section 16(3)(a) of the Act, the Opponent has shown that as of the date of filing 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].

[27] With respect to the non-distinctiveness ground of opposition, the Opponent has shown that as of the date of filing of the opposition for the Mark, the trade-mark MARLBORO had become known in association with cigarettes to some extent in Canada to negate the distinctiveness of the Mark.

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

The test for confusion

[29] 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.

[30] 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

[31] Both parties' trade-marks are inherently distinctive.

[32] 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].

[33] By comparison, the application for the Mark is based upon proposed use in Canada and there is no evidence that use of the Mark has commenced.

[34] 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

[35] 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

[36] The parties' wares are identical. 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.

[37] 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

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

[39] As indicated above, the Opponent takes the view that should the Applicant use the Mark in association with the no-name packaging, as the Mark is simply the word corresponding to the name and/or description of the famous "ROOF" design portion of the Philip Morris Marlboro brand packaging, such use by the Applicant would only compound and reinforce its efforts to unfairly compete with the Opponent by having Canadian consumers associate the Mark with the

Applicant's Philip Morris Marlboro brand and refer to such cigarettes by using the Opponent's Marlboro Canada's registered trade-mark MARLBORO.

[40] Before considering in more detail the evidence of record in support of the Opponent's allegation, 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]

[41] In the present case, the Mark is made up of the word mark ROOF that invokes the idea of a roof. 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 (that is the idea of the word "Marlboro") would still need to be considered as part of the surrounding circumstances.

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

Additional surrounding circumstances

The particularities of the cigarette retail market in Canada

[43] 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].

[44] 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. [My underlining]

[45] 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 the word mark ROOF in association with the No-name packaging would refer to them as "Marlboro".

The survey evidence

[46] 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 a permanent injunction restraining the Applicant from directly or indirectly selling, distributing, and/or advertising in Canada, cigarettes or other tobacco products in, or in association with, the no-name packaging reproduced above under the 8th bullet of paragraph 16.

The survey evidence introduced through Dr. Chakrapani's affidavit

[47] 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.

[48] 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".

[49] It is this very combination of elements on the no-name package as a whole that was tested. As the case scenario contemplated by the Opponent in its statement of opposition is based upon use of the Mark in association with the no-name package, rather than use of the no-name package by itself with no brand name, I find that no weight ought to be afforded to Dr. Chakrapani's survey evidence in the present proceeding. Indeed, the addition of the word mark ROOF to the no-name package results in a completely different set of facts.

[50] 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

[51] 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. 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].

[52] 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 no weight ought to be afforded to Dr. Klein's affidavit in the present proceeding.

Conclusion – re survey evidence

[53] 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.

[54] Again, the present application is for the word mark ROOF. The survey evidence was by no means designed to test the Mark, be it in isolation or in combination with such no-name package.

Third party publications and materials distributed to retailers

[55] The Furfaro affidavit attaches copies of various third party publications reporting or commenting on the launch by the Applicant of the no-name package that was in dispute in the No-name Brand Litigation Proceeding, as well as copies of materials that were prepared for the launch of this product [see for instance, Exhibits PF-12 to 14].

[56] However, these materials by no means evidence that a pack of cigarettes bearing the Mark, be it alone or in association with the no-name package, would be recognized and referred to as "Marlboro" rather than as "ROOF".

[57] 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 acknowledgment made by the Opponent

[58] As indicated above, the Opponent did expressly acknowledge at the hearing in the ROOFTOP design Opposition files that use of a brand name, such as the word mark "ROOF", on the Applicant's 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.

[59] This acknowledgment is in line with the one it made in the No-name Brand Litigation Proceeding, as per the following passage from Madam Justice Gauthier in *Philip Morris 2012*:

[83] I also note that the evidence is to the effect, and this was admitted at the hearing by both sides, that the use of a brand name on a PM package bearing most of the other elements of the no-name package (like the MATADOR get-up) would likely be sufficient to sever the mental link or association with MARLBORO.

[60] 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.

[61] I find the present situation is no different. As indicated above, this is not a case where the consumer would have “no other brand name to refer to”. The present application is for the word mark ROOF. As indicated above, the evidence of record by no means evidence that a pack of cigarettes bearing the Mark, be it alone or in association with the no-name package, would be recognized and referred to as “Marlboro” rather than as “ROOF”.

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

Conclusion regarding the likelihood of confusion

[63] 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 their associated wares share a common source.

[64] 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.

[65] As this finding applies to whatever which material date is considered, the grounds of opposition based upon non-registrability of the Mark under section 12(1)(d) of the Act, non-entitlement under section 16(3)(a) of the Act, and non-distinctiveness under section 2 of the Act are dismissed.

Disposition

[66] 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

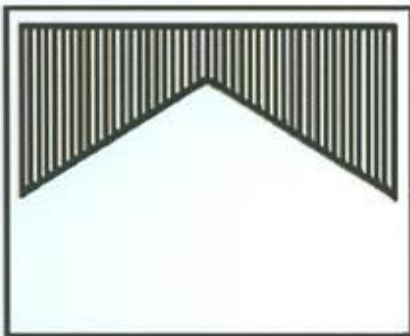
Based on use in Canada since August 8, 1958.



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

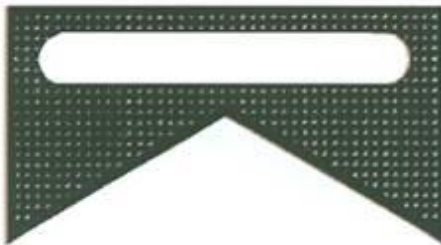
The drawing is lined for the colour red.



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.