

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

Citation: 2014 TMOB 248 Date of Decision: 2014-11-18

IN THE MATTER OF AN OPPOSITION by Breville Pty Limited to application No. 1,572,706 for the trade-mark MYBREW in the name of Keuring Green Mountain, Inc.

Summary

- In February 2012, Breville Pty Limited began using the trade-marks YOUBREW and BREW IQ on coffeemakers which allow users to create individual flavour profiles. In the next 18 months, it sold approximately 13,000 of these coffee makers in Canada. It also obtained registrations for the trade-marks YOUBREW and BREW IQ. Breville Pty Limited has opposed the application for the trade-mark MYBREW by Keurig Green Mountain, Inc. for brewing machines primarily on the basis that the MYBREW trade-mark is confusing with its trade-marks YOUBREW and BREW IQ.
- [2] In this case, the fact that the trade-marks at issue are highly suggestive of each party's products and are inherently weak impacts the confusion analysis. Where marks are weak, consumers are expected to be more on guard to the differences between them. In view of this and the other circumstances discussed below, I find that there is not a reasonable likelihood of confusion between the Opponent's MYBREW and BREW IQ trade-marks and the YOUBREW trade-mark. Accordingly, this opposition is rejected.

File Record

- [3] On April 11, 2012, Keurig, Incorporated filed an application to register the trade-mark MYBREW (the Mark) on the basis of its proposed use in association with the wares set out below (as amended) (the Wares). Keurig, Incorporated subsequently assigned the application to Keurig Green Mountain, Inc. (both entities collectively referred to as the Applicant).
 - (1) Electric brewing machines with RFID functionality for brewing food, namely soups, breakfast cereals, oatmeal and hot beverages for domestic and commercial use. Plastic cartridges with RFID functionality, each containing a hot beverage precursor, for use in brewing machines.
- [4] The application was advertised for opposition purposes in the *Trade-marks Journal* of November 7, 2012.
- [5] On December 21, 2012, Breville Pty Limited (the Opponent) filed a statement of opposition. The grounds of opposition as amended by the interlocutory ruling of April 23, 2012 are summarized below.
 - (a) The application does not comply with section 30(a) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) as the Wares have not been described in ordinary commercial terms.
 - (b) The application does not comply with section 30(e) of the Act. The Applicant did not intend to use the Mark in Canada as it knew, or ought to have known, that the Mark was not available for use, in view, of the prior use and registration of the confusingly similar trade-marks YOUBREW and BREW IQ.
 - (c) The application does not comply with section 30(i) of the Act. The Applicant could not be satisfied that it was entitled to use the Mark in Canada in view of the Opponent's confusingly similar trade-marks.
 - (d) The Mark is not registrable, pursuant to section 12(1)(d) of the Act, because it is confusing with the following registrations of the Opponent:

Registration No. Trade-mark

TMA834,119 YOUBREW

TMA820,151 BREW IQ

- (e) The Applicant is not the person entitled to registration of the Mark, pursuant to section 16(3)(a) of the Act, because at the date of filing, the Mark was confusing with the Opponent's previously used trade-marks YOUBREW and BREW IQ.
- (f) The Mark is not distinctive, pursuant to section 2 of the Act, since it does not distinguish and is not capable of distinguishing the Wares, from the coffee makers of the Opponent sold in association with the trade-marks YOUBREW and BREW IQ.
- The Applicant filed and served a counter statement in which it denied the Opponent's allegations. The Opponent filed as its evidence the affidavits of Tania Treciokas and Stephen Krauss and a certified copy of each of trade-mark registration Nos. 834,199 and TMA820,151. The Applicant filed as its evidence the affidavit of Thelma Thibodeau. Neither party filed a written argument and a hearing was not held.

Material Dates and Onus

- [7] The material dates that apply to the grounds of opposition are as follows:
 - sections 38(2)(a)/30 the filing date of the application [Georgia-Pacific Corp v Scott Paper Ltd (1984), 3 CPR (3d) 469 (TMOB) at 475];
 - sections 38(2)(b)/12(1)(d) the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 at 422 (FCA)];
 - sections 38(2)(c)/16(3) the filing date of the application [see section 16(3)]; and
 - sections 38(2)(d)/2 the date of filing of the opposition [see Metro-Goldwyn-

Mayer Inc v Stargate Connections Inc (2004), 34 CPR (4th) 317 at 324 (FC)].

- [8] Before considering the grounds of opposition, it is necessary to review some of the technical requirements with regard to (i) the evidential burden on an opponent to support the allegations in the statement of opposition and (ii) the legal onus on an applicant to prove its case.
- [9] With respect to (i) above, there is an evidential burden on an opponent to prove the facts in its allegations pleaded in the statement of opposition: *John Labatt Limited v Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298. The presence of an evidential burden on an opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist. With respect to (ii) above, the legal onus is on an applicant to show that the application does not contravene the provisions of the Act as alleged by an opponent (for those allegations for which an opponent has met its evidential burden). The presence of a legal onus on an applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against it.

Grounds of Opposition

Section 30(a) Ground of Opposition

- [10] The Opponent alleges that the application does not comply with section 30(a) of the Act since:
 - it is not clear what goods the Wares describe and it is ambiguous whether the limitation "for domestic and commercial use" applies to "hot beverages" or "brewing machines"; and
 - it is unclear as to the use of the "brewing machines" for "brewing soups, breakfast cereals or oatmeal".

- [11] There are two issues to be determined under a section 30(a) ground of opposition, first, whether the statement of wares or services is in ordinary commercial terms and, second, whether it adequately identifies the specific wares and services [Whirlpool SA v Eurotherm Holdings Ltd; 2010 CarswellNat 4282 (TMOB) at para 39].
- [12] The affidavit of Tania Treciokas, a student employed by the agent for the Opponent, attaches searches of the *Wares and Services Manual* for food brewers, food brewing machines, and brewing machines. None of Ms. Treciokas' searches resulted in any hits. While this evidence is sufficient to meet the Opponent's burden, I find that the Applicant has also met its legal onus for following reasons.
- [13] The affidavit of Thelma Thibodeau, a trade-marks searcher, suggests that brewing machines is an ordinary commercial term since analogous descriptions appear in the third party applications or registrations summarized below. The fact that other parties have included similar terms in their own marks leads me to the conclusion that brewing machines is an ordinary commercial term.

No.	Trade-mark	Description
1,582,046	EXTREME BREW	electric coffee brewers
TMA764,657	BREWLOGIC	beverage brewing equipment;
TMA644,777	BREW∰MATIC	Electrically operated coffee brewing apparatus, electrically operated automatic ground coffee dispensers;
TMA777,638	BREW BETTER, NOT BITTER	Electric heated beverage brewing equipment, namely, brewers for brewing coffee, tea and other beverages for domestic and commercial use and components therefore

Further, I find that the wares described as "Electric brewing machines with RFID functionality for brewing food, namely soups, breakfast cereals, oatmeal and hot beverages for domestic and commercial use" is sufficiently specific since the function (brewing machines with radio frequency identification (RFID) functionality) and area of use is relatively narrow (brewing beverages/food) [see, for example, section 2.4.3 of the *Wares and Services Manual* which

discusses that the term "equipment" may be acceptable if the function or area of use can be reasonably understood to be very narrow.

- [14] With respect to the wares described as "Plastic cartridges with RFID functionality, each obtaining a hot beverage precursor, for use in brewing machines", this description is in ordinary commercial terms because the content of the cartridges along with the area of use is provided. I note that the *Wares and Services Manual* lists the following analogous descriptions as acceptable: ink cartridges for printer and pen cartridges [see *Johnson & Johnson v Integra Lifesciences Corp* (2011), 98 CPR (4th) 429 at para 29 (TMOB) which provides that I may check the *Wares and Services Manual*].
- [15] Therefore I find that the statement of wares is in compliance with section 30(a) of the Act because the specific wares at issue are described in ordinary commercial terms.

 Accordingly, this ground of opposition is rejected.

Section 30(e) Ground of Opposition

[16] The section 30(e) ground of opposition alleges that the Applicant did not intend to use the Mark in Canada with the Wares as it knew, or ought to have known, that the Mark was not available for use in Canada, in view of the prior use and registration of the YOUBREW and BREW IQ trade-marks of the Opponent. There is no evidence that supports the Opponent's allegation, consequently, this ground of opposition is rejected.

Section 30(i) Ground of Opposition

[17] The section 30(i) ground of opposition alleges that the Applicant could not have been satisfied that it was entitled to use the Mark because it is confusing with the Opponent's trademarks. Where an applicant has provided the statement required by section 30(i), this ground should only succeed in exceptional cases such as where there is evidence of bad faith [Sapodilla Co v Bristol-Myers Co (1974), 15 CPR (2d) 152 (TMOB) at 155] or other exceptional circumstances. As this application includes the required statement and there is no allegation or evidence of bad faith or other exceptional circumstances, the section 30(i) ground is rejected.

Section 12(1)(d) Ground of Opposition

[18] I have exercised my discretion and checked the Register to confirm that registration Nos. TMA834,119 for YOUBREW and TMA820,151 for BREW IQ both covering coffee makers are extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. Therefore, the Opponent has met its initial burden with respect to this ground of opposition.

When are trade-marks confusing?

[19] Trade-marks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the *Trade-marks Act*:

The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured . . . or performed by the same person, whether or not the wares or services are of the same general class.

- [20] Thus, the issue is not confusion between the trade-marks themselves, but confusion of goods from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the Wares, sold in association with the trade-mark MYBREW, would believe that those items were produced or authorized or licensed by the Opponent.
- [21] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are "all the surrounding circumstances" including those specifically mentioned in section 6(5) of the *Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. These criteria are not exhaustive and different weight will be given to each one in a context specific assessment [*Mattel, Inc v 3894207 Canada Inc,* [2006] 1 SCR 772 (SCC) at para 54]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc,* (2011), 92 CPR

(4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

Inherent Distinctiveness of the Trade-marks

- [22] The YOUBREW and MYBREW trade-marks are not inherently distinctive. The Opponent's trade-mark YOUBREW is highly suggestive of the Opponent's wares, that is, coffee makers which allow users to personalize and customize their preferred brew strength and flavour profile (para 16 of the affidavit of Stephen Krauss). Likewise, the Mark is highly suggestive of the Wares, which may allow users to make food and beverages according to their individual preferences. The fact that MYBREW and YOUBREW are coined words is insufficient to notably increase the inherent distinctiveness of these marks given their descriptive connotations.
- [23] The Opponent's trade-mark BREW IQ has a higher degree of distinctiveness because machines are not normally considered to have IQ.

Extent Known and Length of Time in Use

- [24] The scope of protection afforded a mark increases if the mark has acquired distinctiveness. The Opponent's affiant Stephen Krauss, general manager of a related company of the Opponent, Anglo-Canadian Housewares LP, provides the following information:
 - Anglo-Canadian Housewares LP is the exclusive licensed distributor in Canada of Breville brand products including the YOUBREW and BREW IQ coffee makers (paras 7,9).
 - The YOUBREW trade-mark prominently appears in large font on the box of the Opponent's coffee makers (Exhibit SK-1) and also on swing tags on display models (Exhibit SK-2). The BREW IQ trade-mark appears on the box in smaller font (Exhibit SK1).

- Sales of YOUBREW coffee makers began in Canada in February 2012 and between this date and September 9, 2013, the Opponent sold approximately 13,000 units (para 19).
- YOUBREW coffee makers are sold to several retailers including Future Shop, Best Buy, Bed Bath & Beyond, Paderno Factory Store, The Bay, Home Outfitters and I Drink Coffee (para 21; Exhibits SK-3-4). YOUBREW coffee makers have been advertised in several retailer flyers and brochures including Future Shop, Home Outfitters, and The Bay (para 23; Exhibit SK-4).
- YOUBREW coffee-makers have also been advertised and featured in the following magazines and on television shows including HomeStyle, Real Style Network, CH Morning Live and CityLine (para 24, Exhibit SK-5).
- [25] The applied-for trade-mark MYBREW is a proposed use mark and there is no evidence that it has acquired distinctiveness. The first two factors in section 6(5), therefore favours the Opponent.

Nature of the Wares, Services or Business and Trades

[26] This factors significantly favours the Opponent, as the nature of wares overlaps, presumably so will the channels of trade.

Degree of Resemblance

[27] In considering the degree of resemblance, the Supreme Court of Canada in *Masterpiece, supra* sets out that resemblance is defined as the quality of being either like or similar (para 62) and that the approach to assessing resemblance should involve a consideration of whether there is an aspect of a trade-mark that is particularly striking or unique (para 64). In this case, there is nothing striking or unique about the word BREW given that the goods of each party relate to brewers and products to be used with them [see, for example, *Molson Companies Ltd v John Labatt Ltd* (1994), 58 CPR (3d) 527 (FCA)]. Similarly, the prefix component of the parties' marks (a personal pronoun) is not particularly

striking or unique given that consumers often use brewing machines to make beverages for themselves.

- [28] The parties' trade-marks therefore resemble each other to some extent in appearance and as sounded since they both share the suffix component BREW. While the parties' trademarks YOUBREW and MYBREW suggest the same idea, a brewer which allows for customizing of an brewed products, there can be no monopoly in this type of idea [American Assn of Retired Persons v Canadian Assn. of Retired Persons/Assoc Canadienne des Individus Retraites (1998), 84 CPR (3d) 198 at para 34 (FCTD)].
- [29] I do not find that the Mark and the BREW IQ trade-mark resemble each other. Although the Mark and BREW IQ both contain BREW, I find that the trade-marks as a whole have a significantly different appearance and sound. Furthermore, the parties' trade-marks don't suggest the same idea. The BREW IQ trade-mark suggests a smart or technologically advanced brewing machine. In contrast, the Mark has no such connotation.

Surrounding Circumstance: State of the Register

[30] The Applicant's affiant, Ms. Thibodeau, attaches the particulars of more than fifteen allowed applications and registrations for similar wares owned by third parties where BREW is a dominant component, including those set out below:

Trade-mark (Registration No.)	Owner	Wares
BREW I TMA318,729	Fountain Netherlands Holding B.V.	Beverage dispensing machines
BREWWISE TMA617,911	Bunn-O-Matic Corporation	Coffee brewing and tea brewing machines
EZE BREW TMA173,802	EZE Brew Coffee Service Ltd.	Filters and beverage-making equipment for preparing and dispensing coffee, tea, hot chocolate and soup
INTELLIBREW Allowed App	Kraft Foods Schweiz Holding GmbH	electric coffee machines non-electric coffee machines

Trade-mark (Registration No.)	Owner	Wares
1,583,924		
SMARTBREW TMA549,557	Applica Consumer Products, Inc	Electric coffeemakers for domestic use
TECHNI-BREW	Boyd Coffee	Electric hot beverage brewing equipment and
TMA350,532	Company	serving pots

The fact that BREW is a common dominant element for trade-marks covering brewing machines and related items will influence the degree to which consumers pay attention to the first component of each parties' trade-mark which in turn reduces the likelihood of confusion [Old Spaghetti Factory Canada Ltd v Spaghetti House Restaurants Ltd (1999), 2 CPR (4th) 398 at 404; Player's Company Inc v Edward Roundpoint 2013 TMOB 149 at paras 43-47]. Based on the state of the Register, I am prepared to infer that BREW is commonly used as a dominant trade-mark component in the parties' field of interest and customers are accustomed to seeing this component.

Surrounding Circumstance: Jurisprudence Concerning Weak Trade-marks

[32] The jurisprudence on weak trade-marks supports the Applicant's position. It is well accepted that comparatively small differences will suffice to distinguish between weak marks [Boston Pizza International Inc v Boston Chicken Inc (2001), 15 CPR (4th) 345 (FCTD) at para 66]. In Provigo Distribution Inc v Max Mara Fashion Group SRL (2005), 46 CPR (4th) 112 at para 31 (FCTD), de Montigny J. explained:

The two marks being inherently weak, it is fair to say that even small differences will be sufficient to distinguish among them. Were it otherwise, first user of words in common use would be unfairly allowed to monopolize these words. A further justification given by courts in coming to this conclusion is that the public is expected to be more on its guard when such weak trade names are used ...

A party adopting a weak trade-mark has been held to accept some risk of confusion [General Motors v Bellows (1949), 10 CPR 101 at 115-116 (SCC)]. While it is possible for the degree of distinctiveness attributed to a weak trade-mark to be enhanced through extensive use [Sarah Coventry Inc v Abrahamian (1984), 1 CPR (3d) 238 at para 6 (FCTD)], the Opponent's evidence falls short of demonstrating such extensive use since its trade-mark YOUBREW has only been in use since February 2012 and there have only been approximately 13,000 YOUBREW coffee makers sold.

Surrounding Circumstance: Opponent's Sale of Applicant's Other Products

- [33] The Opponent's affiant, Mr. Krauss, states that another BREVILLE house brand product distributed by Anglo-Canadian Housewares LP is the "Gourmet Single Cup Brewer" which features the Applicant's single-serve K-Cup coffee system (para 26). Further, Anglo-Canadian Housewares LP is a sales and fulfillment partner for KEURIG-brand products, including all coffee-makers (para 27). I do not consider this to be a relevant surrounding circumstance because the test of confusion concerns the ultimate consumer [Canadian Schenley Distilleries Ltd v Canada's Manitoba Distillery Ltd (1975), 25 CPR (2d) 1 (FCTD) at 5]. The evidence does not show that such a consumer would be aware that Anglo-Canadian Housewares LP is a sales and fulfillment partner of the Applicant.
- [34] Even if I had regard to this evidence it would not have impacted my ultimate decision, because I had already considered and found the nature of the wares and trade to overlap.

Conclusion

[35] Considering the factors in section 6(5), and taking into account that the Opponent's trade-mark YOUBREW is a weak mark and the evidence is insufficient to afford it a greater scope of protection, I conclude that the balance of probabilities between finding that there is no reasonable likelihood of confusion, and finding that there is a reasonable likelihood of confusion, falls slightly in favour of the Applicant. With respect to the trade-mark BREW IQ, I conclude that, on a balance of probabilities, there is no reasonable likelihood of confusion between the Opponent's trade-mark and the Mark given the differences between the parties' marks. Accordingly, the section 12(1)(d) ground of opposition is rejected.

Remaining Grounds of Opposition

[36] The remaining grounds of opposition also turn on a determination of the issue of the likelihood of confusion between the Mark and the Opponent's trade-marks YOUBREW and BREW IQ. In my view, the differences in material dates do not have any significant impact on the determination of the issue of confusion. While the Opponent has met its initial burden, the Applicant has also met its burden because there is no likelihood of confusion for the reasons set out in the discussion of the section 12(1)(d) ground.

Disposition

[37] 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.

Natalie de Paulsen Member Trade-marks Opposition Board Canadian Intellectual Property Office