



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

Citation: 2011 TMOB 96
Date of Decision: 2011-06-20

**IN THE MATTER OF AN OPPOSITION by
House of Horvath Inc. to application
No. 1,324,732 for the trade-mark CASA
CUBANA & Design in the name of 115772
Canada Ltée**

[1] On November 6, 2006, 115772 Canada Ltée (the Applicant) filed an application to register the trade-mark CASA CUBANA & Design shown below (the Mark) based upon i) proposed use of the Mark in Canada in association with the wares listed below, and ii) use of the Mark since at least as early as 1997 with the services listed below:



Cigars, cigarettes, tobacco, pipes, non tobacco cigarettes, ashtrays, lighters, cigar cutters.

Wholesale sales of cigars and cigar accessories.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of February 6, 2008.

[3] On February 28, 2008, House of Horvath Inc. (the Opponent) filed a statement of opposition claiming that the Mark is not registrable pursuant to s. 12(1)(d) of the *Trade-marks*

Act, R.S.C. 1985, c. T-13 (the Act), that it is non-distinctive of the Applicant pursuant to s. 2 and 38(2)(d) of the Act, and that the Applicant is not the person entitled to registration of the Mark pursuant to s. 16 of the Act in view of the fact that the Mark is confusing with the Opponent's trade-mark CUBANA previously used and registered under No. UCA50813 in association with "cigars".

[4] The Applicant filed and served a counter statement in which it denies the Opponent's allegations.

[5] In support of its opposition, the Opponent filed the statutory declaration of Joseph Horvath, President of the Opponent, sworn August 7, 2008. The Opponent further filed a correcting statutory declaration of Mr. Horvath sworn August 27, 2008, purporting to file as Exhibit A a copy of a 2006 report to Health Canada referred to in and intended to be attached to the first statutory declaration of Mr. Horvath, and to correct a clerical error made in paragraph 11 of the original statutory declaration of Mr. Horvath. Unless indicated otherwise, I will use the singular form to refer to the two statutory declarations of Mr. Horvath. The Applicant obtained an order for the cross-examination of Mr. Horvath on his statutory declaration but did not proceed with the cross-examination. In support of its application, the Applicant filed the affidavits of André Dunn, sole shareholder and the President and Secretary-Treasurer of the Applicant, sworn July 24, 2009, and Marie-Eve Bérubé-Côté, an articling student employed by the law firm representing the Applicant in this proceeding.

[6] Only the Applicant filed a written argument. An oral hearing was not requested.

Onus and material dates

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

Christian Dior, S.A. et al. (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

[8] The material dates for assessing each of the grounds of opposition in the present proceeding are as follows:

- Ground based on s. 12(1)(d) of the Act: the date of my decision [see *Park Avenue Furniture Corp. v. Wickers/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.)];
- Ground based on s. 16(1)(a) of the Act: the date of first use of the Mark;
- Ground based on s. 16(3)(a) of the Act: the filing date of the application; and
- Ground based on non-distinctiveness of the Mark: the filing date of the statement of opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

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

Section 12(1)(d) ground of opposition

[10] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of s. 12(1)(d) of the Act in that it is confusing with the Opponent's trade-mark CUBANA, registered under No. UCA50813, which trade-mark has been used continuously in Canada by the Opponent and its predecessors in title in connection with cigars since its registration on April 23, 1954.

[11] The Opponent has provided through the Horvath statutory declaration, a copy of the particulars obtained for this registration from the Canadian Intellectual Property Office (CIPO) trade-mark database. I have exercised the Registrar's discretion to confirm that it is in good standing as of today's date.

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

[13] 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.

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

[15] Neither mark is inherently strong since, in the context of the parties' wares, they both evoke the country of Cuba and suggest that the tobacco products come from that country. The Bérubé-Côté affidavit shows that the Spanish word CUBANA is a feminine adjective that translates into the feminine adjective "cubaine" in French and the adjective "Cuban" in English [paragraphs 5 and 7 of her affidavit, and Exhibit C]. The Spanish word CASA is a feminine noun that translates into the feminine noun "maison" in French and the noun "house" in English [paragraphs 5 and 6 of the Bérubé-Côté affidavit, and Exhibit B]. I further believe that I can take judicial notice of the fact that the country of Cuba is renowned for its cigars, which are one of the country leading exports. According to the 2011 edition of the *Encyclopaedia Britannica* cigars/cheroots/cigarillos represented 9.8% of the country's exports in 2005. The major export

destinations in 2008 were Canada (20.9%); China (18.4%); and Venezuela.

[16] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. This brings me to review the evidence of use of the Mark and the Opponent's mark introduced by the Dunn affidavit and Horvath statutory declaration respectively.

[17] Mr. Horvath states that he is the President of the Opponent and that he has knowledge of the matters to which he deposes, and that he has been in the tobacco and tobacco related business since 1959. As such, he is aware of most brands of cigars, their origin and manufacture, marketing and sales. He is thoroughly familiar with the CUBANA brand of cigars [paragraphs 1 and 2 of his statutory declaration]

[18] Mr. Horvath explains that the Opponent is a private family owned corporation and is in the business of the manufacture, packaging, distributing and wholesaling of cigars and other tobacco-related products. The Horvath family has been in the Canadian cigar business since 1932. The Opponent was created in 1977 and is one of the oldest cigar manufacturing and distributing companies in Canada. The Opponent sells over 300 different cigars from over seven different countries. The Opponent employs over 50 people [paragraphs 3 and 4 of his statutory declaration].

[19] Mr. Horvath states that the Opponent is the current owner of the CUBANA trade-mark, registered under No. UCA50813. This trade-mark was first used in Canada on April 1, 1951 and originally filed and registered on April 23, 1954 in favour of Allied Cigar Company. This latter company's successors included Jerrich Sales Ltd., which company assigned the CUBANA trade-mark to the Opponent on September 1, 1998 [paragraph 6 of his statutory declaration].

[20] Mr. Horvath states that the CUBANA trade-mark has been in continuous use by the Opponent since its acquisition onward to the present in connection with the sale of cigars and the Opponent intends to continue to so use the trade-mark in Canada for the foreseeable future [paragraphs 7, 10 and 12 of his statutory declaration].

[21] In support of the above statements of use, Mr. Horvath attaches the following exhibits:

- Exhibit B1 consisting of “a summary of the last 12 month’s sales of the [Opponent]’s CUBANA products” (from June 1, 2007 to May 31, 2008) [paragraph 8 of his statutory declaration]. According to my reading of the data compiled in this summary, there would have been sales of approximately 1039 “units” totalling approximately 20,700 dollars; each “unit” totals 50 cigars (“sticks”);
- Exhibit B2 consisting of “a true copy of a December 2001 inventory sales analysis which shows the sale of CUBANA marked cigars at that time” [paragraph 8 of his statutory declaration]. While Mr. Horvath states that such inventory analysis shows the sale of CUBANA marked cigars, there is no explanation of the significance of the numbers reproduced in this chart. The only reference to CUBANA is in the middle of the report within the name CUBANA CORONA BROWN BAG 20. I will revert to this point below;
- Exhibit C consisting of “a photograph taken of a cigar marketed by the [Opponent] wrapped in a clear cellophane paper imprinted with the [t]rade-mark CUBANA” [paragraph 9 of his statutory declaration];
- Exhibit A consisting of “a 2006 report to Health Canada showing the CUBANA brand as one of the [Opponent]’s products”. Similar reports have been done since 2006 to the present. Mr. Horvath states that he has reviewed past such filings to 2002, and all report the CUBANA brand as a product of the Opponent [paragraph 10 of his original statutory declaration and paragraphs 2 and 3 of his correcting statutory declaration]. The report refers to CUBANA CORONA BROWN BAG 50 and CUBANA CORONA BROWN BAG 25; and
- Exhibit E consisting of “a true copy of a marketing sheet currently in use with respect to the sale of cigars marketed CUBANA by the [Opponent]” [paragraph 16 of his statutory declaration]. I note that this marketing sheet is entitled “Cubana Corona Brown Bag 50” and describes the CUBANA cigars as being “designed for the value-conscious adult consumer” and “a popular choice among those for whom price is the determining factor”. However, there is no information as to how this marketing sheet is used.

[22] The Applicant made a certain number of submissions with respect to the above exhibits. One of these submissions is that none of the exhibits constitute evidence of use of the CUBANA trade-mark by the Opponent in the normal course of trade pursuant to s. 4 of the Act. I respectfully disagree.

[23] I am satisfied from a fair reading of Mr. Horvath’s statutory declaration and accompanying exhibits that there have been sales of the Opponent’s CUBANA cigars in Canada over the last decade. While no invoice *per se* attesting to the sale of the Opponent’s CUBANA cigars have

been filed by Mr. Horvath, the various reports attached to his affidavit coupled with the photograph of the cigar clearly marked under the CUBANA mark attached as Exhibit C, support Mr. Horvath's sworn statements of use of the mark in Canada by the Opponent. I disagree with the Applicant's submission that use of the terms CUBANA CORONA BROWN BAG 50 (or 25) in some of the exhibits filed by Mr. Horvath amount to use of a different trade-mark. I am of the view that the words CORONA BROWN BAG 50 (or 25) are descriptive terms used to describe the size, color and packaging format of the Opponent's CUBANA cigars. To this end, I note that one of the definitions provided by the second edition of the *Paperback Oxford Canadian Dictionary* for the word CORONA is the following: "n. a long cigar with straight sides". I further note that the Applicant itself uses the term CORONA to describe some of the cigars sold to its customers, like for example "R Y J PETIT CORONAS" and "BOLIVAR CORONA-EXTRA" [see the copies of invoices attached as Exhibit 2 to the Dunn affidavit discussed below].

[24] That said, the fact remains that the Horvath statutory declaration does not provide much information as to the extent to which the Opponent's CUBANA trade-mark has been used and become known in Canada. Except for the relatively modest sales figures provided in Exhibit B1 described above, no sales or marketing figures are provided. Furthermore, while Mr. Horvath states in his statutory declaration that the CUBANA trade-mark has been used in Canada since April 1, 1951, that is the date of first use claimed in the Opponent's registration for the mark, the above evidence of use falls short of establishing continuous use of the CUBANA trade-mark by the Opponent since that first date. In the absence of evidence supporting such date of first use, a claimed date of first use set forth in a registration can establish no more than *de minimis* use and cannot give rise to an inference of significant or continuing use of the mark [see *Entre Computer Centers, Inc. v. Global Upholstery Co.* (1992), 40 C.P.R. (3d) 427 (T.M.O.B.)].

[25] To sum up, I can hardly ascribe any reputation of note to the Opponent's trade-mark.

[26] Turning to the Applicant's evidence of use of the Mark, Mr. Dunn states that he is the sole shareholder and the President and Secretary-Treasurer of the Applicant and has held this position since June 1982. He is also the President of Spike Marks Inc. (Spike Marks) since October 1991.

As such, he has personal knowledge of, maintains records of, or has access to corporate records relating to the matters to which he deposes [paragraph 1 of his affidavit].

[27] Mr. Dunn states that the Applicant is a holding company incorporated on June 3, 1982 and Spike Marks is a wholesale and distribution company incorporated on October 2, 1991, both under the laws of Canada, and having their head office located in the province of Quebec [paragraph 2 of his affidavit].

[28] Mr. Dunn states that in or about December 1997, the Applicant granted to Spike Marks a verbal license to use the Mark and the trade-name CASA CUBANA in Canada in association with wholesale sales of cigars and cigar accessories, as well as all types of goods relating to cigars. Pursuant to this license agreement, the Applicant has direct control of the character or quality of the wares and services in association with which the Mark and the CASA CUBANA trade-name are used. Mr. Dunn adds that given that he is the president of both companies and involved in all company matters, he effectively exercises this control on a regular basis [paragraph 3 of his affidavit].

[29] Mr. Dunn states that Spike Marks started operating as a distributor of Cuban cigars in 1997. Its current range of products includes prestigious tobacco brands. Spike Marks has over 120 employees covering all Canada and is dedicated to the sale of tobacco products and smokers accessories as well as consumer items such as CUBITA coffee and PROUDLY CANADIAN clothing. Sales are made directly to individual retail stores and chains as well as wholesalers all over Canada [paragraph 5 of his affidavit].

[30] Mr. Dunn states that the Applicant, through Spike Marks, has used the Mark in association with the services of wholesale sales of cigars and cigar accessories (the CASA CUBANA Services) in Canada since 1997. In or about December 2006, the Applicant expanded into the use of the Mark in connection with cigars and cigarillos (the CASA CUBANA Products). It intends to expand this use to tobacco, pipes, non tobacco cigarettes, ashtrays, lighters and cigar cutters [paragraph 6 of his affidavit].

[31] Mr. Dunn states that Spike Marks' sales volume of the CASA CUBANA Services in Canada under the Mark since 1997 to 2008 inclusively, has been in excess of a total of 200

million dollars. The annual amount of combined sales of CASA CUBANA Services and Products in Canada, since 2006 to 2008 inclusively, has exceeded 27, 35 and 40 million dollars in 2006, 2007 and 2008 respectively [paragraph 7 of his affidavit].

[32] Mr. Dunn states that Spike Marks has over 14,000 customers across Canada comprising major wholesalers and retailers to which CASA CUBANA Services are provided and CASA CUBANA Products are sold to [paragraph 8 of his affidavit]. In support of these statements of use of the CASA CUBANA Services and Products, he attaches as Exhibits 1 and 2 respectively, a list of some of these customers per province, and copies of representative invoices to Canadian customers from August 1998 to July 2009 [paragraph 9 of his affidavit].

[33] Mr. Dunn then turns to the Canadian advertising and marketing expenditures for the Mark. He states that Spike Marks advertises the CASA CUBANA Services and CASA CUBANA Products in Canada through various means, including specialized printed media, direct sales flyers at trade shows, on a website, business cards, new account forms, stationery, humidors and the Applicant's and Spike Marks' premises. He then provides a breakdown of the advertising and marketing expenditures for the years 1997 to 2008, the total of which nearly amount to 2 million dollars [paragraphs 10 and 11 of his affidavit].

[34] In support of the above statements of advertising and marketing of the Mark, Mr. Dunn attaches the following exhibits:

- Exhibit 3 consisting of copies of representative samples of advertisements placed in specialized magazines distributed throughout Canada, namely *News Convenience*, *L'Alimentation*, *VIG*, *Votre Dépanneur*, *Convenience & Carwash* and *C-Stores* from 2004 to 2009 [paragraph 12 of his affidavit];
- Exhibit 4 consisting of copies of representative samples of flyers promoting the CASA CUBANA Products and Services that have been and are still distributed to over 14,000 wholesalers and retailers across Canada since 2000 on a regular basis [paragraph 13 of his affidavit];
- Exhibit 5 consisting of copies of the homepage or pages relating to the trade shows of *Colabor*, *C-Store* and *Carwacs*'s respective websites. The *Colabor*, *C-Store Canada*

Conference Expo and *Carwacs* trade shows are all held in Canada [paragraph 14 of his affidavit];

- Exhibit 6 consisting of a copy of the catalogue from the *Tabak Expo* trade show held in Moscow in 2006 displaying the Mark and listing the Applicant as an exhibitor under its trade-name Casa Cubana [paragraph 15 of his affidavit]. The Applicant is described therein as “Canada’s leading supplier of fine quality cigars, cigarillos and tobacco accessories”;
- Exhibit 7 consisting of a printout of the homepage of the Applicant’s website *www.casacubana.ca* displaying the Mark wherein the Applicant is described as a “Distributor Of Cuban Cigars and Imported” [paragraph 16 of his affidavit];
- Exhibit 8 consisting of copies of sample business cards, new account form, envelope and company letterhead displaying the Mark [paragraph 17 of his affidavit];
- Exhibit 9 consisting of photographs of two humidors and one display bearing the Mark. Over 1,000 humidors and displays are provided to retailers and wholesalers across Canada for the conservation of cigars, cigarillos and tobacco sold by Spike Marks [paragraph 18 of his affidavit];
- Exhibit 10 consisting of a photograph of the entrance’s carpet of the Applicant’s and Spike Marks’ primary place of business displaying the Mark [paragraph 19 of his affidavit];
- Exhibit 11 consisting of photocopies of representative samples of packaging of the CASA CUBANA Products sold in Canada since December 2006 to the present [paragraph 20 of his affidavit]; and
- Exhibit 12 consisting of samples of labels affixed on cardboard boxes, shipping boxes and product containers used to ship or deliver the CASA CUBANA Products to customers in Canada [paragraph 21 of his affidavit].

[35] Upon reviewing the aforementioned exhibits, and more particularly the photographs of the tobacco products and related accessories reproduced in many of these exhibits, I note that the Mark does appear on the packaging of the cigarillos sold by the Applicant. More particularly, the Mark appears on the side of various packs of cigarillos, together with the mention “EXCLUSIVE IMPORTER” and a reference to the city of Montréal, Canada and a zip code. As such, it may arguably be perceived by the average consumer as identifying the trade-name of the Applicant. However, as stated by Board Member Martin in *Consumers Distributing Company Limited v. Toy World Limited*, 1990 CarswellNat 1398 (T.M.O.B.) at paragraph 14, “trade-mark and trade-

name usage are not necessarily mutually exclusive”. Whether the use of a trade-name may also be use as a trade-mark depends on the circumstances of each particular case [see *Road Runner Trailer Manufacturing Ltd. v. Road Runner Trailer Co.* (1984), 1 C.P.R. (3d) 443 (F.C.T.D.)].

[36] In the present case, the packs of cigarillos are prominently marked under different trade-marks such as BULLSEYE, PRIME TIME and HAPPY HOUR displayed on the front of the packs. While the Mark is given less importance by being displayed only on the side of the packs, the fact remains that the Mark is also prominently displayed on such packaging. The logo of the Mark appears in colors and in much larger size and print than the mention “EXCLUSIVE IMPORTER” and the reference to “MONTRÉAL, CANADA, H4N 2E1”. As such, I find that it would certainly be perceived as also a trade-mark. I further note that the Mark clearly appears on its own on the front cover of the flyers attached as Exhibit 4 that appear to be used to order the wares. As stated by Board Member Cooke in *Timothy’s Coffees of the World Inc. v. Starbucks Corp.* (1997), 79 C.P.R. (3d) 147 (T.M.O.B.) at p. 151, “mail order catalogues and similar order forms which show a trade-mark may be considered use of that mark when used in combination with other materials that show the trade-mark to the consumer at the time the wares are transferred, such as invoices. In this way, the mark is brought to the attention of the purchaser at the time the order is made, and at the time that the wares are received, satisfying the criterion in [s.] 4(1)”.

[37] To sum up, bearing in mind the significant sales and marketing figures mentioned above, I am satisfied from my review of Mr. Dunn’s affidavit that the Applicant’s Mark has achieved a well established and significant reputation in association with the applied-for services. I am also satisfied that the Applicant has commenced use of the Mark in connection with cigarillos as described by Mr. Dunn in his affidavit. While “cigarillos” are not listed as such in the Applicant’s statement of wares, I find such use pertinent to the present case given that cigarillos are very small thin cigars.

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

[39] Turning to the nature of the wares and services and the nature of the trade, I must compare the Applicant's statement of wares and services with the statement of wares in the Opponent's registration [see *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (F.C.A.); and *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.)].

[40] The applied-for wares and services clearly overlap with the Opponent's cigars. There is no reason to conclude that the parties' wares would not travel through the same channels of trade and be directed to the same types of retail establishments.

[41] Turning to the degree of resemblance between the parties' trade-marks, the Mark is a design mark made up of two words: the word CASA on top and the word CUBANA below. The word CASA is prominently displayed, being about three times larger than CUBANA and in a different font than the word CUBANA. The word CASA is embodied in a pentagon and CUBANA is in a rectangle. The overall shape of the black background evokes the shape of a house. In contrast, the Opponent's mark is a single word mark CUBANA.

[42] Furthermore, while the Mark incorporates the Opponent's CUBANA trade-mark in its entirety, the prefix CASA differentiates the Mark from the Opponent's CUBANA mark phonetically and in the ideas suggested. It is a well accepted principle that the first portion of a trade-mark is the most relevant for the purposes of distinction. This holds particularly true in the present case given the significance of the shared word CUBANA in the context of the parties' wares.

[43] This brings me to comment on the state of the register evidence introduced through Ms. Bérubé-Côté's affidavit.

[44] State of the register evidence is introduced to show the commonality or distinctiveness of a mark or portion of a mark in relation to the register as a whole. Evidence of the state of the register is only relevant insofar as inferences may be made on it concerning the state of the marketplace, and inferences about the state of the marketplace can only be drawn when a significant number of pertinent registrations are located [see *Ports International Ltd. v. Dunlop*

Ltd. (1992), 41 C.P.R. (3d) 432 (T.M.O.B.); *Welch Foods Inc. v. Del Monte Corp.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D.); and *Maximum Nutrition Ltd. v. Kellogg Salada Canada Inc.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)].

[45] More particularly, Ms. Bérubé-Côté attaches as Exhibit A the results of a trade-mark search she performed on July 27, 2009 for active trade-marks consisting of or containing the word CUBANA, either as a stand-alone word or as a prefix. A certain number of marks were revealed by the search, including the parties' marks. However, the only pertinent reference found pertains to the trade-mark LA GLORIA CUBANA, owned by Corporacion Habanos, S.A. and registered under No. TMA312,803 on April 4, 1984 in association with "leaf tobacco, manufactured tobacco for smoking, chewing and snuffing purposes and cigarettes". While the mere existence of this single registration is insufficient by itself to draw inferences of use of the word CUBANA by others in the marketplace, I note that Mr. Dunn has provided evidence of use of that particular mark in Canada.

[46] More particularly, Mr. Dunn states that Spike Marks distributes cigars bearing the LA GLORIA CUBANA trade-mark in Canada. To this end, he attaches as Exhibit 13 copies of representative invoices for the years 2003 to 2009 attesting to the sale of LA GLORIA CUBANA trade-mark cigars to Canadian customers, a sample of LA GLORIA CUBANA cigars packaging, and a print-out of the trade-mark registration obtained from CIPO's online trade-mark database [paragraph 22 of his affidavit]. That being so, I agree with the Applicant that the coexistence since at least 2003 in the Canadian marketplace of the LA GLORIA CUBANA cigars and the Opponent's CUBANA cigars is a surrounding circumstance pertinent to the present case, which limits the ambit of protection that ought to be granted to the Opponent's CUBANA mark.

[47] I further agree with the Applicant that the lack of any instances of confusion between the marks despite at least 12 years of coexistence with respect to the applied-for services and about three years with respect to cigarillos between the Applicant's Mark and the Opponent's CUBANA cigars, is a surrounding circumstance pertinent to the present case, which also favours the Applicant.

[48] Although the Opponent does not need to prove instances of confusion, the absence of evidence of confusion is a circumstance that has to be taken into consideration [see *Mattel, supra*] and an adverse inference may be drawn when concurrent use on the evidence is extensive, yet no evidence of confusion has been given by the Opponent. In the present case, Mr. Dunn has never heard of any instances of confusion. In fact, Spike Marks and the Opponent had a business transaction in June 2006 and the latter referred to Spike Marks as “CASA CUBANA” on its invoice to Spike Marks [paragraph 23 of his affidavit; and Exhibit 14].

Conclusion regarding the likelihood of confusion

[49] As indicated above, the test for confusion is whether someone who has an imperfect recollection of the Opponent’s CUBANA mark might conclude upon seeing the Applicant’s Mark as a matter of first impression that the source of the Opponent’s wares and that of the Applicant’s wares and services are either the same or somehow related.

[50] Having carefully considered all the surrounding circumstances, I find that the Applicant has met its legal burden to show that there is no reasonable likelihood of confusion between the marks. I reach this conclusion in view of the narrow ambit of protection to be afforded to the Opponent’s inherently weak mark; the significant distinctiveness acquired by the Mark with respect to the applied-for services and, to a lesser extent, cigarillos; the differences existing between the parties’ marks; and the peaceful coexistence of the parties’ marks for several years with no instances of confusion, which all together tip the balance of probabilities in the Applicant’s favour.

[51] Accordingly, the s. 12(1)(d) ground of opposition based upon the likelihood of confusion between the Opponent’s registered mark and the Mark is dismissed.

Non-distinctiveness ground of opposition

[52] The Opponent has pleaded that the Mark is not distinctive within the meaning of s. 2 of

the Act in that it does not distinguish and is not adapted to distinguish the Applicant's applied-for wares and services from the Opponent's cigars sold in association with the trade-mark CUBANA.

[53] An opponent meets its evidentiary burden with respect to a distinctiveness ground if it shows that as of the filing date of the statement of opposition its trade-mark had become known to some extent at least to negate the distinctiveness of the applied-for mark [see *Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D)]. While the Opponent may, arguably, have met this burden, the success of the non-distinctiveness ground of opposition is no greater than the success of the s. 12(1)(d) ground of opposition because the difference in relevant dates does not substantially affect my analysis above under the s. 12(1)(d) ground of opposition. Accordingly, the non-distinctiveness ground of opposition is dismissed.

Section 16 grounds of opposition

[54] The Opponent has pleaded that "the [A]pplicant is not the person entitled to registration of the [Mark] in that it is likely to be confusing with the registered trade-mark of the Opponent, as noted above". While the Opponent has not expressly made reference to the relevant provisions of the Act, namely to s. 16(1)(a) with respect to the applied-for services and s. 16(3)(a) with respect to the applied-for wares, I am satisfied from a fair reading of the statement of opposition as a whole that such omission is of no consequence in the present case.

[55] An opponent meets its evidentiary burden with respect to a s. 16(1)(a) ground if it shows that as of the date of first use claimed in the applicant's application, its trade-mark had been previously used in Canada and had not been abandoned as of the date of advertisement of the applicant's application [s. 16(5) of the Act]. An opponent meets its evidentiary burden with respect to a s. 16(3)(a) ground if it shows that as of the date of filing of the applicant's application, its trade-mark had been previously used in Canada and had not been abandoned as of the date of advertisement of the applicant's application [s. 16(5) of the Act].

[56] The Opponent has failed to meet its burden with respect to the s. 16(1)(a) ground of

opposition. As per my review above of Mr. Horvath's statutory declaration, the evidence of use of the CUBANA trade-mark does not go back to the year 1997, that is the date of first use of the Mark as claimed in the Applicant's application. As indicated above, the mere filing of a certified copy of registration No. UCA50813 can establish no more than *de minimis* use of the CUBANA trade-mark. Such use does not meet the requirements of s. 16(1)(a) of the Act. Accordingly, the s. 16(1)(a) ground of opposition is dismissed.

[57] The Opponent has met its burden under the s. 16(3)(a) ground of opposition. However, because the difference in relevant dates does not substantially affect my analysis above under the s. 12(1)(d) ground of opposition, the s. 16(3)(a) ground of opposition is also dismissed.

Disposition

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

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