



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

**Citation: 2013 TMOB 71**  
**Date of Decision: 2013-04-18**

**IN THE MATTER OF AN OPPOSITION  
by Hess Family Estates AG to application  
No. 1,363,088 for the trade-mark  
ATALAYA in the name of Bodegas  
Atalaya, S.L.**

File Record

[1] On September 11, 2007 Bodegas Atalaya, S.L. (the Applicant) filed an application to register the trade-mark ATALAYA (the Mark) based on proposed use in association with: Edible oils; vinegars; wines (the Wares). The Applicant claims a priority date of September 6, 2007 based on an application filed with OHIM (EC) for the same trade-mark filed in or for Spain under No. 6260046.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of May 26, 2010. Hess Family Estates AG (the Opponent) filed a statement of opposition on October 26, 2010 which was forwarded by the Registrar to the Applicant on November 16, 2010.

[3] The grounds of opposition pleaded are:

1. The Mark is not registrable in view of section 12(1)(b) of the *Trade-marks Act* RSC 1985, c T-13, (the Act) because it is clearly descriptive or deceptively misdescriptive of the place of origin of the Applicant's Wares. ATALAYA is a municipality of Spain which has a well established reputation as a source of wines;

2. The Mark is not registrable in view of section 12(1)(d) since the Mark is confusing with the Opponent's registered trade-mark AMALAYA, certificate of registration TMA775,492;
3. Pursuant to section 38(2)(d) of the Act, the Mark is not distinctive of the Applicant in that it does not distinguish nor is it adapted to distinguish the Wares of the Applicant from the wares of the Opponent in view of the fact that the Mark is clearly descriptive or deceptively misdescriptive of the place of origin of the Applicant's Wares; and/or the prior registration and extensive and longstanding use and promotion by the Opponent of the confusingly similar trade-mark AMALAYA in Canada in association with wine.

[4] In the counter statement filed on December 31, 2010, the Applicant essentially denied all grounds of opposition.

[5] The Opponent filed as its evidence the affidavits of Ms. Jennifer Leah Stecyk, Mr. Amardeep Singh and Mr. Donald Hess while the Applicant chose not to file any evidence.

[6] Both parties filed a written argument but the Applicant's written argument does not contain any substantive argumentation. Only the Applicant requested a hearing. However, after receiving notification of the hearing date, it informed the Registrar that it would not attend the hearing; consequently there was no hearing.

#### Legal Onus and Burden of Proof

[7] The legal onus is upon the Applicant to show that the application complies with the provisions of the Act, but there is an initial evidential 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. Once this initial burden is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E Seagram & Sons Ltd et al v Seagram Real Estate Ltd* (1984), 3 CPR (3d) 325 (TMOB); *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) and *Wrangler Apparel Corp v The Timberland Company* [2005] FC 722].

Registrability of the Mark under Section 12(1)(d)

[8] The relevant date for this ground of opposition is the date of the Registrar's decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 at 424 (FCA)].

[9] Jennifer Leah Stecyk is a trade-mark searcher employed by the Opponent's agent firm. She filed a certified copy of Canadian registration TMA775,492 for the trade-mark AMALAYA for wines. I checked the register and such registration is extant [see *Quaker Oats of Canada Ltd/La Compagnie Quaker Oats Ltée v Manu Foods Ltd*, 11 CPR (3d) 410 (FCTD)]; consequently the Opponent has met its initial burden.

[10] The test for confusion is outlined in section 6(2) of the Act. It does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source.

[11] Some of the surrounding circumstances to be taken into consideration are described in section 6(5) of the Act: the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or any ideas suggested by them. Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [See *Clorox Co v Sears Canada Inc* (1992), 41 CPR (3d) 483 (FCTD) and *Gainers Inc v Marchildon* (1996), 66 CPR (3d) 308 (FCTD)]. I also refer to the judgments of the Supreme Court of Canada in *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 and *Mattel Inc v 3894207 Canada inc* (2006), 49 CPR (4th) 321 where Mr. Justice Binnie commented on the assessment of the criteria enumerated under section 6(5) to determine if there is a likelihood of confusion between two trade-marks.

*Inherent distinctiveness of the trade-marks and the extent to which they have become known*

[12] I agree with the Opponent's contention that its trade-mark AMALAYA possesses a fair degree of inherent distinctiveness. It would appear that it is a coined word. As for the Mark it is a

Spanish word which translates into English as “watchtower”. Such information appears on the Applicant’s revised application. Mr. Singh is an articling student employed by the Opponent’s agent firm. His affidavit contains material proving that ATALAYA is a municipality located in Spain. However there is no evidence that the average Canadian consumer would know this fact.

[13] In all I consider both trade-marks to be inherently distinctive. However the degree of distinctiveness of a trade-mark may be enhanced through use or promotion in Canada. There is no evidence of use or promotion of the Mark in Canada.

[14] As for the Opponent’s use of the trade-mark AMALAYA I shall summarize the relevant portions of Mr. Hess’ affidavit. Mr. Hess has been the chairman and founder of the family owned company Hess Family Estates AG.

[15] Mr. Hess states that the Opponent operates wineries in California, Argentina, South Africa and Australia. He provides a list of some of the Opponent’s wines produced in those countries. He states that the Opponent has been selling wine since 2006 in association with the trade-mark AMALAYA. The Opponent’s AMALAYA mark is subject to registration No. TMA775,492 which is based on use in Canada since January 2009.

[16] Mr. Hess asserts that wine sold in association with the trade-mark AMALAYA is produced by the Opponent’s subsidiary (Hess Family Latin America S.A.) in Argentina. It has been licensed by the Opponent to use the trade-mark AMALAYA in association with wine. Mr. Hess affirms that the Opponent has exercised direct or indirect control over the character or quality of the wine produced in association with that trade-mark.

[17] Mr. Hess filed as exhibit A a picture of a bottle of wine bearing the trade-mark AMALAYA which has been sold in Canada since January 2009 to various distributors: liquor stores and liquor control boards including International Cellars Inc., the Nova Scotia Liquor Corporation, The Newfoundland Labrador Liquor Corporation, Société des Alcools du Québec, the Liquor Control Board of Ontario, BC Liquor Stores and the Manitoba Liquor Control Commission. He lists the awards given to such wine.

[18] Mr. Hess provides the number of bottles of wine sold annually since 2009 in Canada in association with the trade-mark AMALAYA up to the first quarter of 2011 which total more than

42,000 bottles with sales in excess of \$760,000. He filed as exhibit B to his affidavit samples of representative invoices for orders received and shipped to Canadian customers.

[19] As for advertisement and promotion of the trade-mark AMALAYA in association with wine in Canada, Mr. Hess filed as exhibit C samples of promotional material on which appears the trade-mark AMALAYA. He provides the yearly dollar amount spent by the Opponent to promote its AMALAYA wine in Canada since 2009 totaling over \$25,000 US.

[20] Mr. Hess alleges that three different websites promote and provide information on the AMALAYA wine since January 2009 and he filed copies of pages downloaded and printed from those websites. He also states that the AMALAYA wine has been advertised, promoted and/or offered for sale on third party websites and he filed copies of pages downloaded and printed from third party websites. I give little weight to this portion of the Opponent's evidence as we have no information on the number of Canadians who might have visited such websites. It also constitutes inadmissible hearsay evidence.

[21] Mr. Hess further states that AMALAYA wine has been featured and promoted in various publications and magazines that are widely read across Canada. He filed copies of articles featuring or promoting AMALAYA wine from publications that, he alleges, are widely distributed and read in Canada, including Wine Spectator and LCBO's VINTAGES magazine. Again I give very little weight to that evidence as we have no information on the extent of their distribution in Canada.

[22] Finally Mr. Hess states that the Opponent has promoted its AMALAYA wine in various Canadian trade shows and wine festivals and he lists those attended in Canada during the years 2009 and 2010.

[23] From this evidence I conclude that the Opponent's trade-mark AMALAYA is more known than the Mark. Consequently the first factor favours the Opponent.

*The length of time the trade-marks or trade-names have been in use*

[24] The evidence described above leads me to conclude that this factor also favours the Opponent as there is no evidence of use of the Mark.

*The nature of the wares, services, or business; the nature of the trade*

[25] The parties' wares clearly overlap with respect to "wines" As for the other Wares, the Opponent argues that they fall in the same general category since "edible oils" and "vinegars" are also meal accompaniments.

[26] The word "vinegar" is defined in the *Canadian Oxford Dictionary* (2d) as "a sour liquid consisting mainly of dilute acetic acid, produced by the oxidation of the alcohol in wine or cider etc., and used as a condiment or food preservative". Based on the foregoing, there is a relationship between "wine" and "vinegar".

[27] As for "edible oils", I have no evidence that there exists an overlap or an association between "edible oils" and wine. The fact that both products could be classified under the general category of "meal accompaniments" is not sufficient to conclude that there exists an overlap between wine and edible oils.

[28] I have no evidence of the Applicant's channels of trade. I can presume that they would be similar to those of the Opponent described above only in so far as "wines" are concerned.

*The degree of resemblance*

[29] In its judgment in *Masterpiece Inc v Alavida Lifestyles Inc et al* (2011), 96 CPR (4th) 361 (SCC), the Supreme Court of Canada has clearly indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the marks.

[30] The marks at issue are visually and aurally similar as the only difference is the letter "T" in the Mark replacing the letter "M" in the Opponent's trade-mark. Therefore this most important factor also favours the Opponent.

*Conclusion*

[31] From this analysis of the relevant criteria, I conclude that the Applicant has not discharged its onus to prove, on a balance of probabilities, that the Mark would not be likely to cause confusion with the Opponent's trade-mark AMALAYA when used in association with

wines and vinegars. The Opponent's trade-mark is known to some extent in Canada; there is an overlap with some of the Wares (wines and vinegars); and the marks at issue resemble to one another both phonetically and visually.

[32] However there is no likelihood of confusion between the Mark and the Opponent's trade-mark AMALAYA in so far as "edible oils" are concerned because those wares are different than wines.

[33] The second ground of opposition is therefore maintained in part; only for the wines and vinegars.

#### Distinctiveness of the Mark

[34] The third ground of opposition is two-fold: first the Mark would not be distinctive because of its descriptive nature of the place of origin of the Wares and secondly because it would be confusing with the Opponent's trade-mark AMALAYA which was known in Canada at the relevant date. I will focus on the second part of this ground of opposition.

[35] The relevant date associated with this portion of the ground of opposition is the filing date of the statement of opposition (October 26, 2010) [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 CPR (2d) 126, (FCA) and *Metro-Goldwyn-Meyer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FCTD)].

[36] Under this ground of opposition the Opponent has the initial evidential burden to prove that its trade-mark AMALAYA had become sufficiently known in Canada on October 26, 2010 to negate the distinctiveness of the Mark [*Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 at 58 (FCTD) and *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FCTD)]. Once this initial burden is met, the Applicant has a legal onus to show, on a balance of probabilities, that the Mark was not likely creating confusion with the Opponent's trade-mark AMALAYA at the relevant date such that it was adapted to distinguish or actually did distinguish throughout Canada the Wares from the Opponent's wines [see *Muffin Houses Incorporated v The Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272 (TMOB)].

[37] The Opponent's evidence of use of the trade-mark AMALAYA described under the previous ground of opposition does establish that such trade-mark was known in Canada to some extent at the relevant date. Consequently the Applicant had to prove, on a balance of probabilities, that the Mark was adapted to distinguish or actually did distinguish throughout Canada the Wares from the Opponent's wines.

[38] The relevant criteria defined in section 6(5) of the Act are used to determine that issue. The fact that the analysis has to be carried out at an earlier relevant date would not have an impact on the results. The conclusions reached with respect to each factor listed under section 6(5) would equally apply under this ground of opposition.

[39] As a result I also maintain in part the third ground of opposition; only for wines and edible oils.

#### Section 12(1)(b) Ground of Opposition

[40] In its first ground of opposition the Opponent argues that the Mark is clearly descriptive or deceptively misdescriptive of the place of origin of wines. The Opponent has already been successful with respect to wines under the second and third ground of opposition. So I would not need to decide this issue. However the Opponent's evidence contains material concerning the place of origin of olives. Even if I were to consider this evidence the ground of opposition would be dismissed for the following reasons.

[41] On April 29, 2011 Mr. Singh conducted searches on the Internet using the search engine Google in order to establish Spain as an olive oil producing country and he filed the results of such search. However there is no reference in the documentation filed that ATALAYA would be the place of origin of olive oils. Consequently the Opponent has failed to meet its initial burden of proof. This ground of opposition is dismissed in so far as edible oils are concerned.

[42] There is no need to determine if the Mark is clearly descriptive or deceptively misdescriptive of the place of origin of wines and vinegars as I already determined that the Mark would not be registrable in association with those wares.



Disposition

[43] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application with respect to:

wines and vinegars;

and reject the opposition with respect to:

edible oils;

pursuant to s. 38(8) of the Act [see *Produits Menagers Coronet Inc v Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 CPR (3d) 492 (FCTD) as authority for a split decision].

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Jean Carrière  
Member  
Trade-marks Opposition Board  
Canadian Intellectual Property Office