



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

Citation: 2013 TMOB 215
Date of Decision: 2013-12-10

**IN THE MATTER OF AN OPPOSITION by
Beaufort Winegrowers Ltd. to application
No. 1,462,995 for the trade-mark CHATEAU
BEAUFORT & Design in the name of Linda Elgert
and L.C. Max Campill de Wedges, a joint venture
designated as Chateau Beaufort Noble Wines**

FILE RECORD

[1] On December 29, 2009, Linda Elgert and L.C. Max Campill de Wedges, a joint venture designated as Chateau Beaufort Noble Wines, filed an application to register the mark shown below:



[2] For ease of reference, I will refer to the applied-for mark as CHATEAU BEAUFORT & Design. Colour is claimed as a feature of the trade-mark, having gold and purple applied to each chalice.

[3] The application is based on use of the mark in Canada since May 1, 2007 in association with

wines, desert wines, sparkling wines and fortified wines.

[4] The subject application was advertised for opposition purposes in the *Trade-marks Journal* issue dated April 27, 2011 and was opposed by Beaufort Winegrowers Ltd. on May 31, 2011. The Registrar forwarded a copy of the statement of opposition to the applicant on June 14, 2011, as required by s.38(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition.

[5] The opponent's evidence consists of the affidavit of Susan Vandermolen. The applicant's evidence consists of a statement sworn by both Linda Elgert and L.C. Max Campill de Wedges. It is not the usual form of an affidavit, however, it was accepted by the Board: see the Board ruling dated January 26, 2012. I see no reason why it should not have been accepted as either or each signing party might have been cross-examined.

[6] Both parties filed written arguments, however, neither party requested an oral hearing.

STATEMENT OF OPPOSITION

[7] The opponent pleads that it is the owner of trade-mark registration No. TMA740122 for the mark **beaufort** (bold lower case lettering) used in Canada since at least as early as May 30, 2008 in association with wines, port-style/fortified wines, dessert wines, and fruit-based wines.

[8] Various grounds of opposition are pleaded, however, the determinative issue for decision is whether the applied-for mark CHATEAU BEAUFORT & Design is confusing with the opponent's mark **beaufort**. The earliest material date to assess the issue of confusion is the date of first use claimed by the applicant, that is, May 1, 2007, while the latest material date is the date of my decision: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v. Canadian Retired Persons* (1998), 84 CPR(3d) 198 at 206 - 209 (FCTD).

[9] The issue of confusion will be assessed after a review of the evidence of record, the evidential burden on the opponent and the legal onus on the applicant.

OPPONENT'S EVIDENCE

Susan Vandermolen

[10] Ms. Vandermolen identifies herself as a co-owner of the opponent company which does business as Beaufort Vineyard and Estate Winery in British Columbia. The opponent operates a vineyard and winery business.

[11] Ms. Vandermolen provides a great deal of information on the start-up of her company and the regulation of the wine industry in Canada, however, I will give attention to those portions of her evidence which relate more directly to the issue of confusion identified in para. 8, above.

[12] The opponent has been producing and selling wines, port-style/fortified wines, dessert wines, and fruit-based wines in association with its trade-mark **beaufort** since at least April 4, 2008. Representative samples of labels for the opponent's bottled wine products are shown in Exhibit Q of her affidavit. I have noted that the mark **beaufort** is prominently displayed on the labels. The opponent company has been featured in newspaper and magazines as well as on local and national television, examples of which are provided in Exhibit U, and has received several provincial nominations and accolades, examples of which are provided in Exhibit V.

[13] Since inception, the opponent has crafted 38 different wines totalling about 110,000 bottles, all of which were labelled with the mark **beaufort**. About 43,000 bottles were produced prior to the date of filing of the subject application for CHATEAU BEAUFORT & Design. Over 8,700 visitors attended the opponent's winery and retail wine shop since May 30, 2008. The opponent has invested over \$18,000 in advertising and promoting its wines and attributes further brand recognition to its numerous awards and media attention. Revenue from sales of **beaufort** wines from inception to October 15, 2011 is about \$1.1 million.

[14] The opponent's concerns are stated in para. 35 of Ms. Vandermolen's affidavit:

I believe that if the Applicant is permitted to register and use the Applicant's Mark in association with the wares claimed in the Application, there is a strong likelihood that consumer confusion will result as to the source of the Applicant's products. As a result, consumers may be deceived into believing that the Applicant and/or its products and services are somehow related to or endorsed by My Company. Indeed, we have already encountered marketplace confusion with one of our very important restaurant customers, who asked whether we were aware of and/or affiliated with the Applicants, and we are also aware that the Applicant's unauthorized use of the beaufort trade-mark has been discussed within the membership and the Boards of both the WIVA [Wine Island Vinters Association] and WIGA [a non-profit society serving wine makers on Vancouver Island and the Gulf Islands]. WIVA, in fact, has removed any information and/or links to "Chateau Beaufort" from their website.

APPLICANT'S EVIDENCE

Ms. Elgert and Mr. Campill

[15] As mentioned earlier, the applicant's evidence consists of a sworn statement by Ms. Elgert and Mr. Campill. Their evidence is, from start to finish, delightfully whimsical and creative (as is their written argument) as can be seen from the following excerpts from the sworn statement:

Chateau Beaufort Noble Wines is here referred to as CBN; we are the Partners. Noble is of the Essence. Chateau, as Noble's residence is likewise factual.

Chateau Beaufort Noble Wines is domiciled on Denman Island, a Designated Gulf Islands Wine Region, of British Columbia, home to our maturing Vineyard.

CBN, is a Suggestive Name, on par with names like 'Chateau Santa Ice Wines', just now invented, for the purpose of an example. Though Suggestive, CBN is also a Suggestion that affirms Historic Truth.

CBN has Historic, Moral, and Common Law Rights, and under the Statute of Anne to the component parts of the name, and to the Composition itself, as a Whole. CBN is Creative, and Imaginative, a Symbolism that triggers Aesthetic Arrest, and leads imagination to leap into Wines of 'Quality', i.e.: de Noble, in intuitive association

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No Deception/Confusion is possible, CBN Arms, and Design, prominently displayed, on wines.

CBN is aurally different from any ad hoc, mimetic conjugation of 'fort', and 'beau' together.

CBN is visually distinguished by being Chateau, and Noble:

*CBN Design, Motto, and Colours (Tinctures), are visually strikingly unique.
As for any objection concerning 'fools rushing in', the Lords have ruled:
Deception /Confusion, does not, however, consider a 'moron in a hurry'.*

[16] Of course, the latter portion of the above sampler concerning deception is more appropriate for legal argument than for evidence - such a faux pas is common for parties not represented by counsel and is readily excused. However, despite their cleverness and literary appeal, I am unable to discern any material facts in the applicant's evidence or any pertinent legal submissions in the written argument which might advance the applicant's case.

LEGAL ONUS AND EVIDENTIAL BURDEN

[17] As mentioned earlier, before considering the issue of confusion between the parties' marks CHATEAU BEAUFORT & Design and **beaufort**, it is necessary to review some of the technical requirements with regard to (i) the evidential burden on the opponent to support the allegations in the statement of opposition and (ii) the legal onus on the applicant to prove its case.

[18] With respect to (i) above, there is in accordance with the usual rules of evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 CPR (3d) 293 at 298 (FCTD). The presence of an evidential burden on the 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 the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition (for those allegations for which the opponent has met its evidential burden). The presence of a legal onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant.

SECTION 6(2) – WHEN ARE TRADE-MARKS CONFUSING?

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

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, s.6(2) does not concern the confusion of the marks themselves, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by s.6(2) is whether purchasers of the applicant’s wines sold under the mark CHATEAU BEAUFORT & Design would believe that those wines were produced or authorized or licensed by the opponent who sells its wines under the mark **beaufort**. The legal onus is on the applicant to show, on the usual civil balance of probabilities standard, that there would be no reasonable likelihood of confusion.

TEST FOR CONFUSION AND MATERIAL DATES

[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 s.6(5)(a) to s.6(5)(e) 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. This list is not exhaustive and all relevant factors are to be considered. Further, all factors do not necessarily have equal weight as the weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 CPR(3d) 308 (FCTD). However, as noted by Mr. Justice Rothstein in *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 CPR(4th) 361 (SCC), although the degree of resemblance is the last factor cited in s.6(5), it is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion.

Consideration of s.6(5) Factors

First Factor - Inherent and Acquired Distinctiveness

[22] The opponent's mark **beaufort** possesses some inherent distinctiveness as it would be perceived either as a coined English word, or as a combination of the French words 'beau' and 'fort,' or as a French surname. Similarly, the applied-for mark CHATEAU BEAUFORT & Design possesses some inherent distinctiveness owing mostly to the dominant portion of the mark namely, the words CHATEAU BEAUFORT. In this regard, the words NOBLE WINES comprising the mark are, respectively, laudatory and descriptive. The chalice designs contribute little to the distinctiveness of the mark as a whole, and the words DENMAN ISLAND would be perceived as descriptive of the place where the wine is produced. Further, the word component CHATEAU would be understood as referring to a luxurious country home, leaving the word BEAUFORT as the most distinctive component of the applied-for mark. Nevertheless, the applied-for mark considered in its entirety possesses a somewhat greater degree of inherent distinctiveness than the opponent's mark. I infer from the opponent's evidence of use and advertising that its mark **beaufort** had acquired a fair degree of reputation in British Columbia, at least by the later material dates. There is no evidence that the applied-for mark acquired any reputation at any material time. In my view, the acquired distinctiveness of the opponent's mark **beaufort** outweighs the slight advantage in inherent distinctiveness of the applied-for mark CHATEAU BEAUFORT & Design. The first factor in s.6(5), which is a combination of inherent and acquired distinctiveness, therefore favours the opponent at the later material dates.

Second Factor - Length of Time the Marks have been in Use

[23] The subject application claims use of the applied-for mark since May 1, 2007 while the opponent claims use of its mark since at least April 4, 2008. However, the length of time a mark has been in use is not meaningful unless a party establishes something more than minimal use of its mark. As the applicant has not established anything more than minimal use of its mark, the applicant cannot rely on the second factor to advance its case. On the other hand, the opponent has established that it has used

its mark to at least a fair extent since mid-2008. The second factor therefore favours the opponent, to some degree, at the later material dates.

Third and Fourth Factors - Nature of the Parties' Wares, Businesses and Trades

[24] The nature of the parties' wares are essentially the same and, in the absence of evidence to the contrary, I assume that the parties' businesses and channels of trade would overlap significantly. The third and fourth factors therefore favour the opponent at all material dates.

Fifth Factor - Resemblance in Appearance, in Sound, and in Ideas

[25] There is a fairly high degree of resemblance between the parties' marks in sounding and in ideas suggested as the applicant has incorporated the whole of the opponent's mark as a dominant element of the applied-for mark, that is, the component BEAUFORT (see the discussion in paragraph 22, above). There is less resemblance between the marks visually considering all the various components, design features and overall layout of the applied-for mark, that is, the visual impacts of the parties' marks are different. Nevertheless, the marks in issue resemble each other more than they differ taking into account the three aspects of resemblance set out in s.6(5)(e). The fifth and most important factor therefore favours the opponent at all material dates.

DISPOSITION

[26] Having regard to the above, I find that the applicant has not discharged the legal onus on it of establishing that, at all material times, there would be no reasonable likelihood of confusion between the applied-for mark CHATEAU BEAUFORT & Design and the opponent's mark **beaufort**.

[27] Accordingly, the application is refused. This decision has been made pursuant to a delegation of authority under s.63(3) of the *Trade-marks Act*.

Myer Herzig, Member
Trade-marks Opposition Board
Canadian Intellectual Property Office