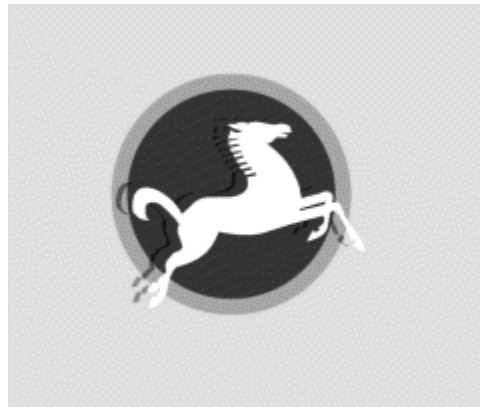


**LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS**

**Citation: 2012 TMOB 119
Date of Decision: 2012-06-26**

**IN THE MATTER OF AN OPPOSITION by
Matinée Company Inc. to application
No. 1,435,561 for the trade-mark JUMPING
HORSE IN A CIRCLE (DESIGN) in the
name of Lidl Stiftung & Co. KG**

[1] On April 23, 2009, Lidl Stiftung & Co. KG (the Applicant) filed an application to register the trade-mark JUMPING HORSE IN A CIRCLE (DESIGN) (shown below) (the Mark) based on proposed use of the Mark in Canada in association with the following wares, as revised:



Tobacco; tobacco products, namely cigarettes; smokers' articles and accessories, namely, lighters, ashtrays, tobacco pipes, cigarette filters, cigarette cases, cigarette holders, cigarette lighter fluid, cigarette rollers, cigars, cigar cutters, cigarillos, chewing and snuff tobacco, tobacco filters, tobacco jars, tobacco pipe cleaners, tobacco pouches, tobacco spittoons, matches (the Wares).

[2] The application is also based on use of the Mark in Germany in association with the Wares and registration to issue from trade-mark application No. 7389075 filed on November 13, 2008 in the Office for Harmonization in the Internal Market in the European Union. It further claims priority of the said trade-mark application No. 7389075.

[3] The application was advertised for opposition purposes in the *Trade-marks Journal* of March 31, 2010.

[4] On July 28, 2010, Matinée Company Inc. (the Opponent) filed a statement of opposition claiming that the application does not conform to the requirements of section 30(i) of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), that the Mark is not registrable pursuant to section 12(1)(d) of the Act, that the Mark is not distinctive of the Applicant pursuant to sections 2 and 38(2)(d) of the Act, and that the Applicant is not the person entitled to registration of the Mark pursuant to sections 16(2), 16(3) and 38(2)(c) of the Act in view of the fact that the Mark is, among others, confusing with the Opponent's family of Matinée trade-marks (hereinafter referred to collectively as the Matinée Marks), which have been previously used in Canada by the Opponent. Two tables outlining the particulars of the trade-mark registrations and applications covered by the Matinée Marks, as pleaded by the Opponent in its statement of opposition, are attached to my decision as Schedule "A" – "The Matinée Registered Marks", and Schedule "B" – "The Matinée Pending Marks".

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

[6] In support of its opposition, the Opponent filed the affidavits of Emily Bexon, Senior Brand Manager, Matinée and Global Brands, with Imperial Tobacco Canada Limited / Imperial Tobacco Canada Limitée (ITCan), sworn January 26, 2011; and Gay Owens, a trade-mark searcher with the firm representing the Opponent in the instant proceeding, also sworn January 26, 2011. The Applicant elected not to file evidence.

[7] Both parties filed written arguments. Only the Opponent was represented by counsel at an oral hearing.

Onus


[8] 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 CPR (3d) 293 (FCTD); and *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].



Analysis of the grounds of opposition

[9] I will now assess the grounds of opposition without necessarily respecting the order in which they were raised in the statement of opposition.

Section 12(1)(d) ground of opposition

[10] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of section 12(1)(d) of the Act in that it is confusing with each of the *Matinée* Registered Marks, the particulars of which, as per the excerpts obtained from the Canadian Intellectual Property Office Trade-marks Database, were attached to the Owens affidavit. Unless indicated otherwise, I will focus my analysis on the Opponent's registration Nos. TMA589,962 for the PEGASUS Design mark, TMA404,043 for the MILDNESS SINCE 1913 & Design mark, and TMA302,900 for the MATINÉE MILDNESS & Design (hereafter collectively referred to as the PEGASUS Design Marks, the particulars of which are detailed below), all registered in association with "[m]anufactured tobacco products", as I consider those three registrations to be the most pertinent. If the Opponent is not successful with these cited registrations, it would not achieve a more favourable result with the other registrations:

Registration No. TMA589,962 issued on September 16, 2003 on the basis of use of the mark since at least as early as April 16, 2001	
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<p>Registration No. TMA404,043 issued on October 23, 1992 following the filing of a declaration of use of the mark on August 13, 1992.</p>	
<p>Registration No. TMA302,900 issued on May 17, 1985 following the filing of a declaration of use of the mark on February 18, 1985.</p>	

[11] I have exercised the Registrar’s discretion to confirm that these three registrations are 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)].

[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 PEGASUS Design Marks.

[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 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 are not necessarily 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].

[15] In *Masterpiece*, the Supreme Court of Canada discussed the importance of the section 6(5)(e) factor in conducting an analysis of the likelihood of confusion between the parties' marks in accordance with section 6 of the Act (see para 49):

[...] the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis ... if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar. As a result, it has been suggested that a consideration of resemblance is where most confusion analyses should start.

[16] Under the circumstances of the instant case, I consider it appropriate to analyse the degree of resemblance between the parties' marks first.

6(5)(e) – the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[17] I agree with the Opponent that the marks at issue are substantially and significantly similar. The main components of both the Mark and each of the PEGASUS Design Marks are a jumping horse with its two front legs in the air, with a background made of a circle. The only clear differences between the Mark and each of the PEGASUS Design Marks are the direction in which the horse is jumping and the absence of wings on the horse in the Mark. While the Opponent's registration Nos. TMA404,043 and TMA302,900 also include word portions consisting of the phrases "MILDNESS SINCE 1913" and "MATINÉE MILDNESS" respectively, the dominant features of the marks remain those of a horse in a jumping motion, with a background made of a circle.

[18] Accordingly, as reasoned in *Masterpiece*, the remaining factors must be carefully considered since they take on added significance in these circumstances.

6(5)(a) – the inherent distinctiveness of the trade-marks and the extent to which they have become known

[19] The Applicant's Mark and each of the Opponent's PEGASUS Design Marks are inherently distinctive, although arguably less so in the case of the Opponent's registration Nos. TMA404,043 and TMA302,900 given the descriptive character of the word "MILDNESS" in the context of the Opponent's manufactured tobacco products. Indeed, the Opponent's registration Nos. TMA404,043 and TMA302,900 both include a disclaimer of the right to the exclusive use of the word "MILDNESS" apart from the mark.

[20] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. However, there is no evidence that the Applicant's proposed use Mark has been used in Canada pursuant to section 4 of the Act or that it has become known to any extent whatsoever in Canada.

[21] Turning to the Opponent's PEGASUS Design Marks, the Bexon affidavit establishes the following.

[22] Pursuant to a licence agreement between the Opponent and Allan Ramsay & Company Ltd. (Allan Ramsay), Allan Ramsay is licensed to use all of the Opponent's trade-marks in association with the manufacture and sale of tobacco products. Under this license agreement, the Opponent has direct and indirect control of the character and quality of the tobacco manufactured and sold by Allan Ramsay under the licence. In particular, the license includes terms which compel Allan Ramsay to manufacture and package wares under the Opponent's trade-marks strictly in accordance with specifications and standards supplied by the Opponent, to submit production materials used in the manufacture of the relevant wares to the Opponent for approval, to submit samples of final product to the Opponent for approval, and to make its premises available for inspection by the Opponent at any time. The license also grants to Allan Ramsay the right to sublicense its rights to others. Allan Ramsay has sub-licensed its rights to ITCan under the same terms as the license between the Opponent and Allan Ramsay [paragraph 2 of the Bexon affidavit].

[23] Pursuant to the above sub-licence, ITCan and its predecessors in title have manufactured, marketed and sold MATINÉE cigarettes in Canada since at least as early as 1954. MATINÉE cigarettes are marketed and sold in Canada by ITCan to cigarette retailers such as grocery stores, convenience stores, and gas stations, sometimes through wholesalers and sometimes through distributors including ITCan's subsidiary ITCo, which in turn sell the cigarettes to adult smokers [paragraph 3 of the Bexon affidavit].

[24] Since at least as early as 1984, all packages of MATINÉE cigarettes sold in Canada prominently display a jumping winged horse in a circle design (hereafter the PEGASUS Design) [paragraph 4 of the Bexon affidavit]. Ms. Bexon states that to her knowledge, no other manufacturer or distributor of cigarettes in Canada sells cigarettes in packaging displaying a horse or winged horse [paragraph 6 of her affidavit].

[25] For the years 1998 to 2010 alone, ITCan sold over 1.17 billion packages of MATINÉE cigarettes with the PEGASUS Design, to cigarette retailers, distributors, and wholesalers in Canada, generating over \$3.8 billion in revenues [paragraph 7 of the Bexon affidavit].

[26] From 1984 to November 13, 2008, ITCan spent in excess of \$30 million in communicating the availability of MATINÉE cigarettes to Canadian cigarette retailers and adult smokers.

[27] In support of her assertions of use of the PEGASUS Design, Ms. Bexon attaches the following exhibits:

- Exhibit A that consists of representative images of packages of the current variants of MATINÉE cigarettes sold by ITCan in Canada, which prominently display the PEGASUS Design. Ms. Bexon states that the current variants are MATINÉE, MATINÉE MELLOW, and MATINÉE SUBTLE and have been sold by ITCan in Canada since at least as early as July 2007. I note that the PEGASUS Design displayed on such packaging slightly differs from the one depicted in the Opponent's registration No. TMA589,962 in that the horse depicted on such packaging is a little bit more within the background circle. However, I agree with the Opponent that this constitutes a minor deviation from the mark as registered; the mark has not lost its identity and remains recognizable in spite of the

differences between the form in which it was registered and the form in which it is or has been used [see *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. I wish to add that the fact that the mark is displayed on such packaging (as well as the ones mentioned below under Exhibits B to J) in combination with additional words or features constitutes use of the registered mark as the trade-mark *per se* can still be perceived, as a matter of first impression, as being used [see *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB); and *88766 Canada Inc v National Cheese Co* (2002), 24 CPR (4th) 410 (TMOB)];

- Exhibit B that consists of representative images of packages of other variants of MATINÉE cigarettes (including MATINÉE SLIMS, MATINÉE MENTHOL, MATINÉE SELECT, MATINÉE SILVER, MATINÉE EXTRA MILD, MATINÉE ULTRA MILD, etc.) which have been sold by ITCan in Canada at various times since at least as early as 2004. I note that the PEGASUS Design displayed on such packaging matches the one depicted in the Opponent's registration No. TMA589,962; and
- Exhibits C to J that consist of representative advertisements which were placed in Canadian magazines by ITCan between the years 1984 to 1988 to communicate the availability of MATINÉE cigarettes to Canadian adult smokers. I note that the PEGASUS Design displayed in Exhibits C, D and E matches the one depicted in the Opponent's registration No. TMA302,900. These advertisements further include images of packages of MATINÉE cigarettes on which is depicted the same mark.

[28] To sum up, the Bexon affidavit establishes that the Opponent has been selling MATINÉE cigarettes in Canada in packaging bearing one form or the other of the PEGASUS Design over a period of over 27 years and that in the last 12 years alone, it has sold a significant quantity of the Opponent's cigarettes. This leads me to conclude that except for TMA404,043 for which no specimen of use has been filed by Ms. Bexon, the PEGASUS Design Marks have become known at least to some extent in Canada in association with manufactured tobacco products.

[29] 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 Opponent.

6(5)(b) – the length of time the trade-marks have been in use

[30] In view of my comments above, this factor also favours the Opponent.

6(5)(c) and (d) – the nature of the wares, services or business; and the nature of the trade

[31] Turning to the nature of the wares and the nature of the trade, I must compare the Applicant's statement of Wares with the statement of wares in the Opponent's registrations [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr. Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)].

[32] I agree with the Opponent that the Wares are either identical or directly overlap with the manufactured tobacco products associated with the PEGASUS Design Marks and would be sold in the same channels of trade as the Opponent's products, namely grocery stores, convenience stores and gas stations [see *JTI Macdonald TM Corp. v Imperial Tobacco Products Limited*, 2012 TMOB 117 (CanLII)]. As further put forward by the Opponent, while the Opponent's evidence pertains only to cigarettes, many of the Opponent's registrations listed in Schedule "A" cover smokers' articles and accessories, such as lighters, ashtrays, cigarette cases and matches (see among others, registration Nos. TMA482,462; TMA733,673; TMA665,702; TMA665,380; TMA482,499; and TMA668,449). As such, I find it is fair to say that the types of smokers' articles and accessories covered by the Applicant's application could be considered a natural extension of the Opponent's manufactured tobacco products offered for sale in Canada in association with the PEGASUS Design Marks.

[33] The overall consideration of the nature of the wares and trade thus favours the Opponent.

Conclusion re likelihood of confusion

[34] As indicated above, the Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. 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.

[35] In view of my comments above, I find that the Applicant has not met its legal onus to show that it is not reasonably likely that an individual who has an imperfect recollection of the Opponent's PEGASUS Design Marks as applied to the Opponent's manufactured tobacco products, would not, as a matter of first impression and imperfect recollection conclude that the Applicant's Wares share a common source.

[36] Accordingly, the section 12(1)(d) ground of opposition succeeds, at least as far as the PEGASUS Design Marks are concerned.

Non-distinctiveness ground of opposition

[37] The Opponent has pleaded that the Mark is not distinctive of the Applicant nor does it actually distinguish the Wares of the Applicant from the wares of the Opponent, nor is it adapted to distinguish them, having regard to the adoption, use, making known and/or registration of each of the Matinée Marks.

[38] An opponent meets its initial onus with respect to a non-distinctiveness ground if it shows that as of the filing date of the statement of opposition its trade-mark had a substantial, significant or sufficient reputation in Canada so as to negate the distinctiveness of the applied-for mark [see *Bojangles' International LLC v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC)]. As per my review of the Bexon affidavit above, the Opponent has met this burden with respect to at least the PEGASUS Design Marks covered by registration Nos. TMA589,962 and TMA302,900.

[39] The ground therefore remains to be decided on the issue of confusion between the marks as of the filing date of the statement of opposition. As I came to the conclusion that, based on the evidence of record, the Mark is confusing with the Opponent's PEGASUS Design Marks under section 12(1)(d) of the Act and because the difference in relevant dates does not affect my analysis, the non-distinctiveness ground of opposition therefore succeeds, at least as far as the PEGASUS Design Marks covered by registration Nos. TMA589,962 and TMA302,900 are concerned.

Remaining grounds of opposition









[40] As I have already refused the application under two grounds, I will not address the remaining grounds of opposition.










Disposition









[41] In view of the foregoing and pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(8) of the Act.






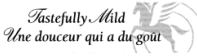


Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Schedule “A” - The Matinée Registered Marks







TRADE-MARK	REGISTRATION NO.
	TMA403,065
	TMA404,042
	TMA482,462
	TMA733,673
	TMA589,799
	TMA594,204
	TMA594,052
	TMA675,253

TRADE-MARK	REGISTRATION NO.
	TMA315,708
	TMA647,239
	TMA302,900
	TMA665,702
	TMA647,299
	TMA403,066
	TMA405,874
	TMA594,054
	TMA594,202

TRADE-MARK	REGISTRATION NO.
	TMA382,778
	TMA381,793
	TMA593,701
	TMA594,203
	TMA665,380
	TMA359,450
	TMA593,702
	TMA593,772

TRADE-MARK	REGISTRATION NO.
	TMA404,043
	TMA421,385
	TMA589,962
	TMA482,499
	TMA593,700
	TMA545,865
	TMA668,449
	TMA593,698

Schedule “B” – The Matinée Pending Marks

TRADE-MARK	APPLICATION NO.
 <p>MELLOW <i>Matinée</i></p>	1,357,876
 <p><i>Matinée</i> SLIMS</p>	1,363,584
 <p><i>Matinée</i> SLIMS MENTHOL</p>	1,363,587
 <p>SUBTLE <i>Matinée</i></p>	1,357,880
 <p>SUBTLE <i>Matinée</i></p>	1,357,875
 <p>VELVETE <i>Matinée</i></p>	1,357,879