

IN THE MATTER OF AN OPPOSITION by Moosehead Breweries Limited to application No. 769,924 for the trade-mark CHOCOLATE MOOSE & Design filed by North American Beverage Corporation

On December 1, 1994, the applicant, North American Beverage Corporation, filed an application to register the trade-mark CHOCOLATE MOOSE & Design (shown below) in association with various dairy based chocolate flavoured food beverages, ice cream, water ices, frozen confections and candy. The application was based on proposed use in Canada in



association with the above noted wares and on use and registration in the United States (Registration No. 1,973,595) in association with “dairy based chocolate flavoured food beverages, namely milk chocolate, dark chocolate, white chocolate, cherry chocolate, mocha chocolate, and chocolate strawberry flavoured food beverages”. In response to an objection raised at the examination stage, the applicant filed an amended application on September 21, 1995, in which it disclaimed the right to the exclusive use of the word CHOCOLATE apart from the trade-mark. In addition, the applicant’s statement of wares was amended to cover the following wares:

“(1) non-alcoholic dairy based chocolate flavoured beverages; ice cream, water ice, frozen confections and candy

(2) non-alcoholic dairy based chocolate flavoured beverages, namely milk chocolate, dark chocolate, white chocolate, mocha chocolate, cherry chocolate, and chocolate strawberry flavoured food beverages”.

The applicant’s amended application was advertised in the Trade-Marks Journal on September 4, 1996.

The opponent, Moosehead Breweries Limited, filed a statement of opposition on January 20, 1997. In its statement of opposition, the opponent asserts that it is the owner of the following 16 trade-mark registrations (collectively referred to as the opponent’s MOOSE registrations) and 3 pending trade-mark applications (collectively referred to as the MOOSE applications) for marks involving either the words MOOSE or MOOSEHEAD and/or the depiction of a MOOSE or MOOSEHEAD design:

Trade-Mark	Registration No.	Wares/Services
MOOSEHEAD	TMA 121,747	Ale
MOOSE	TMA 285,467	Brewed alcoholic beverages
Moosehead Design	TMA 266,741	Brewed alcoholic beverages
Moose's Head Design	TMA 320,108	Brewed alcoholic beverages
MOOSEHEAD & Moose Design	TMA 366,528	Brewed alcoholic beverages
MOOSEHEAD CANADIAN LAGER BEER & Design	TMA 252,475	Brewed alcoholic beverages, namely lager beer
Moosehead Design	TMA 262,156	Brewed alcoholic beverages
MOOSEHEAD BEER & Design	TMA 342,204	Brewed alcoholic beverages
MOOSE & Design	TMA 354,401	Brewed alcoholic beverages
MOOSEHEAD COUNTRY STORE	TMA 346,542	Various types of clothing wares and novelty items
MOOSEHEAD	TMA 357,860	Various types of clothing wares and novelty items
Moosehead Design	TMA 360,450	Various types of clothing wares and novelty items
THE MOOSE IS LOOSE	TMA 364,664	Various types of clothing wares and novelty items
MOOSEHEAD GRAND PRIX & Design	TMA 418,077	Various types of clothing, printed publications and novelty and souvenir items
MOOSEHEAD GRAND PRIX	TMA 418,077	Various types of clothing, printed publications and novelty and souvenir items
LOOSE MOOSE TAP & GRILL & Design	TMA 466,459	Restaurant services

Trade-Mark	Application No.	Wares/Services
LOOSE MOOSE	794,710	Restaurant services
LOOSE MOOSE TAP & GRILL	794,711	Restaurant services
MOOSE	807,335	Restaurant services, bar services, coffee shop services, convenience store services, novelty and souvenir store services

The opponent also stated that it is the owner of the trade-mark MOOSE applied to restaurant services (referred to as the opponent's MOOSE restaurant mark) which had been used and made known in Canada since April, 1989, by the opponent's predecessor-in-title, 697234 Ontario Inc. The opponent further states that prior to any material dates, the opponent had used and made known in Canada the same trade-marks as those set forth in the MOOSE registrations and the MOOSE applications, and additionally, had previously used and made known in Canada its trade-names MOOSE, MOOSEHEAD, MOOSEHEAD BREWERIES and MOOSEHEAD BREWERIES LIMITED, said MOOSE marks and MOOSE names not having been abandoned as of the date the applicant's application was advertised (*i.e.* September 4, 1996).

The opponent's first ground of opposition is that the applied for trade-mark is not registrable pursuant to the provisions of Sections 38(2)(b) and 12(1)(d) of the *Trade-Marks Act*, R.S.C. 1985, c. T-13 (hereinafter the *Act*), in that it is confusing with any one or combination of the opponent's MOOSE registrations. As its second ground of opposition, the opponent has asserted that pursuant to the provisions of s.16(1) and s.16(3) of the *Act*, the applicant was not the person entitled to register the trade-mark CHOCOLATE MOOSE & Design because it was confusing with any one or combination of the opponent's MOOSE applications, the opponent's MOOSE restaurant mark and the opponent's MOOSE marks and names. At the oral hearing, the opponent's agent submitted that the second ground of opposition as pleaded contained a typographical error and should have read s.16(2) as opposed to s.16(1). As it is clear that one of the bases for application was use and registration abroad and not prior use or making known in Canada, and as the applicant's agent did not raise any objections to this change to the second ground of opposition, I am prepared to accept this amendment. The third and final ground of opposition is that pursuant to the provisions of Sections 38(2)(d) and 2 of the *Act*, the applicant's mark neither actually distinguishes nor is adapted to distinguish the wares in association with which it has allegedly been used from the wares and services of the opponent, nor is adapted to so distinguish them.

The applicant filed a further amended application on April 23, 1997, in which it deleted the wares "candy" from the application. This amended application was accepted by the Board by way of letter dated May 16, 1997.

The applicant filed and served a counter statement on June 9, 1997, in which it generally denied the allegations asserted by the opponent in its statement of opposition. As its evidence, the opponent submitted the affidavits of P.H. McGraw, Vice-President of Finance and Corporate

Secretary of Moosehead Breweries Limited, Donna Harris, Trade-Mark Searcher, and Karen L. Pratt, Trade-Mark Agent Assistant. The applicant elected not to file any evidence. Only the opponent filed a written argument. An oral hearing was conducted at which both parties were represented.

The first ground of opposition is based on allegations of confusion between the applicant's trade-mark and the registered trade-marks of the opponent. In assessing whether there would be a reasonable likelihood of confusion between the trade-marks at issue, the Registrar must have regard to all of the surrounding circumstances including those specifically enumerated in s.6(5) of the *Act*. The Registrar must also bear in mind that the legal burden is on the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks at issue as of the material date which under s.12(1)(d) is the date of my decision: see the decision in **Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.**, 37 C.P.R. (3d) 413 (F.C.A.).

With respect to s.6(5)(a) of the *Act*, both the applicant's and the opponent's marks are inherently distinctive. As there is no evidence of use of the proposed mark CHOCOLATE MOOSE & Design, I must consider that it has not become known at all in Canada. I am satisfied from the opponent's evidence, however, that its marks have become well known in Canada and are therefore entitled to a broad ambit of protection (see **Toyota Jidosha Kabushiki Kaisha v. Lexus Foods Inc.** (1999), 2 C.P.R. (4th) 1999 (F.C.T.D.)). In this regard, Mr. McGraw states at paragraph 10 of his affidavit that retail sales in Canada of beer, consumer goods and the operation of hospitality lounges in association with his company's family of trade-marks such as MOOSEHEAD, HEAD OF MOOSE Design, THE MOOSE IS LOOSE, and his company's trade-names MOOSEHEAD, MOOSEHEAD BREWERIES, and MOOSEHEAD BREWERIES LIMITED have been between \$60 and \$147 million for each of the years from 1980 to 1996. Further, Mr. McGraw states that promotional and advertising expenditures for his company's MOOSE family of trade-marks such as MOOSEHEAD, MOOSE, HEAD OF MOOSE Design and THE MOOSE IS LOOSE ranged between \$4 and \$22 million for each of the years between 1980 and 1996.

With respect to s.6(5)(b) of the *Act*, the opponent has used its MOOSEHEAD mark (Registration No. TMA 121,747) in association with brewed alcoholic beverages in Canada since 1928 and most of its other MOOSE marks since the late 1970's or early 1980's. The applicant, on the other hand, has not shown any use of its mark. Thus, the length of time that the marks have

been in use favours the opponent.

As for the wares, services and trades of the parties, it is the applicant's statement of wares (which covers non-alcoholic dairy based chocolate flavoured beverages, ice cream, water ices, and frozen confections) and the opponent's statement of wares and services in its MOOSE registrations (which cover, *inter alia*, brewed alcoholic beverages, clothing, printed publications, novelty and souvenir items and restaurant services) that must be considered since these statements of wares and services determine the scope of the monopoly being claimed by the parties in relation to their marks: see Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.), Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) and Miss Universe, Inc. v. Dale Bohna (1994), 58 C.P.R.(3d) 381 at 390-392 (F.C.A.). However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful: see page 169 of the decision of the Federal Court of Appeal in McDonald's Corporation v. Coffee Hut Stores Ltd. (1996), 68 C.P.R. (3d) 168.

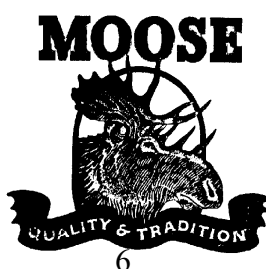
The applicant has argued that in considering the nature of the wares or services of the parties, the class of customers who purchase such goods may also be considered (see Leaf Confections Ltd. v. Maple Leaf Gardens Ltd. (1986), 12 C.P.R. (3d) 511 (F.C.T.D.)). In this regard, the applicant argues that its wares would be marketed toward children while the opponent's wares and services have been primarily directed toward the adult consumer. It is therefore the applicant's submission that the class of customers who would be the most avid consumers of the applicant's wares, *i.e.* children, would not likely conclude that the wares and services associated with the parties' marks were the wares and services of the same party.

Although the applicant's mark has a comical and juvenile design feature, and the applicant's wares appear to be of the type that may be intended more for children than for adults, the applicant has provided no evidence to support its argument that its wares would be marketed toward children. In any event, it is my view that the only wares of the parties which are somewhat related are the applicant's non-alcoholic dairy based chocolate flavoured beverages and the opponent's brewed alcoholic beverages because they can be said to both belong to the same general class of wares, namely "beverages". However, as I do not consider alcoholic beverages to be part of the same industry as non-alcoholic beverages, in my view it is less likely that the public would confuse the source of origin of these products.

With respect to the parties' channels of trade, the opponent submits that the affidavit of Donna J. Harris has established that it is not uncommon in the trade for brewers, distillers or wineries to register trade-marks for non-alcoholic beverages such as juices, sodas and the like. The opponent further submits that it has the entitlement to use its various registered MOOSE trade-marks in association with beverages other than beer if it decides to do so. As stated above, however, it is the opponent's statement of wares and services in its MOOSE registrations that govern and I note that none of the opponent's MOOSE registrations cover non-alcoholic beverages. Further, I do not consider non-alcoholic beverages to constitute either a possible product that might be encompassed by the wording of the opponent's wares in any of its registrations, or a probable extension of the opponent's business.

The opponent has shown that its products are available in liquor outlets, beer stores, bars, and restaurants in every province in Canada with the exception of Quebec and Saskatchewan. It has also shown that some of its wares are sold through the retail stores the opponent operates under the MOOSEHEAD COUNTRY STORE and THE COLD BEER STORE marks, and that it offers restaurant services under its LOOSE MOOSE TAP & GRILL & Design mark. The applied for wares, on the other hand, are of the type that I would expect to be sold through convenience or grocery stores. I therefore conclude that the channels of trade for the parties' wares would be different.

With respect to s.6(5)(e) of the *Act*, there is some degree of visual resemblance between the applied for mark and several of the opponent's marks as the applicant has incorporated components of the opponent's marks into its applied for mark. The most pertinent of the opponent's marks which the applicant's mark resembles is the opponent's trade-mark TMA354,401 for the trade-mark MOOSE and HEAD OF MOOSE Design (shown below) because the applicant's mark includes both the word component MOOSE as well as the design of a moose's head. As the applicant has pointed out, however, the applied for mark depicts a fanciful moose's head in a comical design (*i.e.* complete with sunglasses and a straw coming out of its mouth) while the opponent's mark is more of a realistic depiction of a moose's head. The applicant's mark is also different from each of the opponent's marks in that the first component of the applied for mark is the word CHOCOLATE.



In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the differences in the wares and trades of the parties, and the lack of resemblance between the parties' marks, and notwithstanding the inherent strength of the opponent's marks, I find that the applicant has satisfied the onus on it to show that its applied for trade-mark would not be confusing with any of the opponent's registered MOOSE marks. The first ground of opposition is therefore unsuccessful.

The opponent's second ground of opposition is that the applicant is not the person entitled to register the trade-mark CHOCOLATE MOOSE & Design because it was confusing with any one or combination of the opponent's MOOSE applications, the opponent's MOOSE restaurant mark and the opponent's MOOSE marks and names. With respect to grounds of opposition under s.16(2) and s.16(3) of the *Act*, there is a burden on the opponent, in view of the provisions of s.16(5) and s.17(1), to establish its prior use or making known of its trade-marks and trade-names in Canada as of the applicant's filing date. Further, the opponent must establish that it had not abandoned its trade-marks and trade-names as of the date of advertisement for opposition purposes of the present application in the Trade-marks Journal (*i.e.* September 4, 1996).

I am satisfied from the evidence of Mr. McGraw that the opponent has met its burden under this ground with respect to each of the marks and names pleaded with the exception of Application No. 807,335 for the trade-mark MOOSE which was based on proposed use in Canada in association with restaurant services, bar services, coffee shop services, convenience store services, novelty and souvenir store services. As I am satisfied that the opponent has met its evidential burden with respect to almost all of the marks and names pleaded, this ground remains to be decided on the issue of confusion between the applicant's trade-mark and the opponent's previously used trade-marks and trade-names. Having regard to the above comments concerning the likelihood of confusion between the applicant's mark and the opponent's trade-marks, I conclude that this ground of opposition would also have been found unsuccessful, even though the material date for considering this ground (*i.e.* the applicant's filing date) differs from the material date for assessing the likelihood of confusion in relation to the s.12(1)(d) ground.

With respect to the third ground of opposition, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares from those of others throughout Canada: see **Muffin Houses Incorporated v. The Muffin House**

Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Further, the material time for considering the circumstances respecting this issue is as of the filing of the opposition (*i.e.* January 20, 1997): see **Re Andres Wines Ltd. and E. & J. Gallo Winery** (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and **Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.** (1991), 37 C.P.R. (3d) 412 at 424 (F.C.A.). Finally, there is an evidential burden on the opponent to prove the allegations of fact in support of its ground of non-distinctiveness.

The third ground essentially turns on the issue of confusion between the applicant's mark and the opponent's trade-marks. Given my conclusions above respecting the first ground of opposition, it also follows that the applicant's mark was not confusing with the opponent's marks as of the filing of the present opposition. Thus, the third ground is also unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the *Act*, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 28th DAY OF April, 2000.

C. R. Folz
Member,
Trade-Marks Opposition Board