

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

Citation: 2010 TMOB 215 Date of Decision: 2010-12-01

IN THE MATTER OF AN OPPOSITION by Ex Hacienda Los Camichines, S.A. de C.V. to application No. 1,281,540 for the trade-mark CENTENARIO & Design in the name of Centenario Internacional, S.A.

[1] On November 18, 2005, Centenario Internacional, S.A. (the Applicant) filed an application to register the trade-mark CENTENARIO & Design, shown below, (the Mark) based on proposed use in Canada in association with "alcoholic beverages, namely rum" (the Wares).



- [2] The Applicant independently submitted to the Canadian Intellectual Property Office (CIPO) that the English translation for the Spanish words RON CENTENARIO is CENTENARY RUM. Furthermore, the Applicant voluntarily disclaimed the right to the exclusive use of the word RON apart from the Mark as it is the name of the Wares in Spanish.
- [3] The application was advertised for opposition purposes in the *Trade-marks Journal* of August 23, 2006.

- [4] On January 23, 2007, joint opponents Ex Hacienda Los Camichines, S.A. de C.V. (Ex Hacienda) and Tequila Cuervo, S.A. de C.V. (Tequila Cuervo) filed a statement of opposition.
- [5] Approximately three months prior to the oral hearing, on April 29, 2010, Ex Hacienda (the Opponent) requested leave to file an amended statement of opposition which, among other things, removed Tequila Cuervo as an opponent. The amended statement of opposition was accepted by the Registrar and made of record on July 29, 2010. The grounds of opposition can be summarized as follows:
 - The Mark is not registrable pursuant to s. 38(2)(a) and 30(i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) as the application for the Mark does not comply with s. 30(i) of the Act on the basis that the Applicant cannot be satisfied that it is entitled to registration of the Mark in view of the prior use and/or making known of the Opponent's trade-marks, as set out in the statement of opposition, by the Opponent and/or its predecessor(s) in title. The Applicant should have been aware that its Mark was confusing with one or more of the Opponent's trade-marks.
 - The Mark is not registrable pursuant to s. 38(2)(a) and 30(e) of the Act as the application for the Mark does not comply with s. 30(e) of the Act on the basis that the Applicant did not and does not intend to use the Mark for the Wares.
 - The Mark is not registrable pursuant to s. 38(2)(b) and 12(1)(d) of the Act on the basis that the Mark is confusing with the following registered trade-marks belonging to the Opponent, which have been previously used and/or made known in Canada by the Opponent or the Opponent's predecessor-in-title:
 - i. GRAN CENTENARIO registration No. TMA534,032 registered for use with tequila.
 - ii. GRAN CENTENARIO & Design III registration No. TMA707,792 registered for use with tequila, tequila liqueurs, alcoholic cocktails containing tequila.
 - The Applicant is not the person entitled to registration of the Mark pursuant to s. 38(2)(c) and 16(3)(b) of the Act because at the date of filing the application for the Mark, the Mark was at all times confusing with the trade-marks set out in the s. 12(1)(d) ground of opposition as well as the following trade-marks:
 - i. GRAN CENTENARIO AZUL & Design application No. 1,254,373 for tequila, tequila liqueur and alcoholic cocktails containing tequila.
 - ii. GRAN CENTENARIO AZUL & Bottle Design application No. 1,254,828 for alcoholic beverages; tequila,

all of which are the subject of previously filed applications filed by the Opponent or the Opponent's predecessor-in-title prior to the adoption of the Mark.

- The Applicant is not the person entitled to registration of the Mark pursuant to s. 38(2)(c) and 16(3)(a) of the Act because at the date of filing the application the Mark was confusing with the Opponent's trade-marks as set out in the s. 12(1)(d) and 16(3)(b) grounds of opposition all of which have been previously used and/or made known in Canada by the Opponent or the Opponent's predecessor-in-title prior to the Applicant's adoption of the Mark.
- The Mark is not distinctive pursuant to s. 38(2)(d) and 2 of the Act because the Mark does not actually distinguish the Wares from the Opponent's wares as set out in the statement of opposition, nor is it adapted to so distinguish.
- [6] The Applicant served and filed a counter statement on March 5, 2007 in which it denied the Opponent's allegations and put the Opponent to the strict proof thereof.
- In support of its opposition, the Opponent filed certified copies of registration Nos. TMA264,613 and TMA534,032 and application Nos. 1,069,687; 1,069,686; 1,254,373 and 1,254,828 as its evidence pursuant to r. 41 of *Trade-marks Regulations* SOR/96-195 (the Regulations). The Opponent also filed the affidavit of Nicholas Gordon sworn October 6, 2008, with Exhibits A through D as reply evidence pursuant to r. 43 of the Regulations. At the oral hearing, the Opponent withdrew the affidavit of Nicholas Gordon. As a result, the affidavit of Nicholas Gordon is no longer of record and is being returned to the Opponent.
- [8] In support of its application, the Applicant filed the affidavit of Jocelyn Yurick, sworn May 5, 2008, with Exhibits A through B2.
- [9] Both parties filed written arguments. On August 6, 2010, the Opponent requested leave pursuant to r. 46(2) of the Regulations to file an amended written argument in light of the amended statement of opposition made of record on July 29, 2010. The Opponent was granted leave to file its amended written argument on August 13, 2010.
- [10] Both parties requested an oral hearing but only the Opponent attended.
- [11] I note that, since the amended statement of opposition was only made of record shortly before the oral hearing, the Opponent's evidence and some of the Applicant's written submissions relate to the original statement of opposition. Obviously, any parts of the evidence or written submissions that relate to trade-marks or parties that are no longer in the statement of opposition have become moot.

Opponent's Evidence

- [12] The certified copies of the registrations and applications filed by the Opponent as its evidence pursuant to r. 41 of the Regulations are for the following trade-marks:
 - CENTENARIO EXTRA & Design registration No. TMA264,613
 - GRAN CENTENARIO registration No. TMA534,032
 - GRAN CENTENARIO & Design application No. 1,069,687
 - GRAN CENTENARIO & Design III application No. 1,069,686
 - GRAN CENTENARIO AZUL & Design application No. 1,254,373
 - GRAN CENTENARIO AZUL & Bottle Design application No. 1,254,828
- [13] I note that the trade-marks CENTENARIO EXTRA & Design of registration No. TMA264,613 and GRAN CENTENARIO & Design of application No. 1,069,687 are not alleged in the statement of opposition made of record on July 29, 2010.

Applicant's Evidence

Affidavit of Jocelyn Yurick

- [14] Ms. Yurick is an administrative assistant working for the Applicant's trade-mark agent.
- [15] Ms. Yurick attaches to her affidavit notarially certified copies of Certificates of Registration issued by the intellectual property offices of Guatamala, El Salvador, Ecuador, Peru, Nicaragua, Honduras, and Argentina for the trade-mark RON CENTENARIO & Design (Exhibit A).
- [16] Ms. Yurick also attaches to her affidavit a notarially certified Certificate of Registration for registration No. 003709441 registered on August 23, 2005 issued by the Office for Harmonization in the Internal Market (OHIM) in the European Union for the trade-mark RON CENTENARIO & Design (Exhibit B-1). Ms. Yurick states that on May 1, 2008 she conducted a search of the OHIM CTM Line Database to obtain the detailed trade-mark information for registration No. 003709441. A printout of this information is attached as Exhibit B-2.

Onus and Material Dates

- [17] 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 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 [see *John Labatt Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].
- [18] The material dates that apply to the grounds of opposition are as follows:
 - s. 38(2)(a)/30(e) and (i) the date the application was filed [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 at 475 (T.M.O.B.) and *Tower Conference Management Co. v. Canadian Exhibition Management Inc.* (1990), 28 C.P.R. (3d) 428 at 432 (T.M.O.B.)].
 - s. 38(2)(b)/12(1)(d) the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks* (1991), 37 C.P.R. (3d) 413 (F.C.A.)].
 - s. 38(2)(c)/16(3)(a) and (b) the date of filing the application [see s. 16(3) of the Act].
 - s. 38(2)(d)/2 the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Section 30 Grounds

Section 30(e)

- [19] Since the application contains a statement that the Applicant by itself or through a licensee intends to use the Mark in Canada, it formally complies with s. 30(e) of the Act.
- [20] The Opponent failed to include any allegations of fact in support of its allegations that the Applicant did not intend to use the Mark in Canada for the Wares. Further, there is no evidence of record to suggest a lack of intention to use the Mark on the part of the Applicant. As a result, I dismiss the ground of opposition based upon non-compliance with s. 30(e) for having been insufficiently pleaded or alternatively for the Opponent having failed to meet its evidential burden.

Section 30(i)

- [21] The requirement under s. 30(i) of the Act is to include, in the application, a statement that the applicant is satisfied that it is entitled to use the mark in Canada in association with the wares. The Applicant provided such a statement in its application.
- [22] In a situation like the present where the relevant statement is provided, a s. 30(i) ground of opposition should only succeed in exceptional cases, such as where there is evidence of bad faith on the part of an applicant [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 at 155 (T.M.O.B.)].
- [25] As this is not such an exceptional case, I am dismissing this ground of opposition.

Non-registrability Ground of Opposition – s. 12(1)(d) of the Act

- [23] Pursuant to s. 12(1)(d) of the Act, the Opponent has pleaded that the Mark is not registrable because it is confusing with the following registered trade-marks owned by the Opponent (hereinafter referred to as the Opponent's Registered Marks):
 - GRAN CENTENARIO TMA534,032 for "tequila"
 - GRAN CENTENARIO & Design III TMA707,792 shown below, for "tequila, tequila liqueurs, alcoholic cocktails containing tequila"



[24] The Registrar has the discretion, in view of the public interest, to check the register for registrations relied upon by an opponent [see *Quaker Oats Co. of Canada Ltd./Cie Quaker Oats du Canada Ltée v. Menu Foods Ltd.* (1986), 11 C.P.R. (3d) 410 (T.M.O.B.), (*Quaker Oats*)]. I have exercised my discretion to confirm that the Opponent's Registered Marks are in good standing as of today's date. I have further exercised my discretion and note that, as was submitted by the Opponent at the oral hearing:

- the trade-mark GRAN CENTENARIO (registration No. TMA534,032) now stands in the name of the Opponent as a result of an assignment from Tequila Cuervo which was recorded by CIPO on September 21, 2009.
- the trade-mark GRAN CENTENARIO & Design III (application No. 1,069,686) has matured to registration under No. TMA707,792 and now stands in the name of the Opponent as a result of an assignment from Tequila Cuervo which was recorded by CIPO on September 21, 2009.
- [25] Since the Opponent has discharged its initial burden with respect to this ground of opposition, the burden of proof lies on the Applicant to convince the Registrar, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Registered Marks.
- [26] 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.
- [27] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in 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 each has 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. These enumerated factors need not be attributed equal weight. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.).]
- 6(5)(a) the inherent distinctiveness of the trade-marks and the extent to which they have become known
- [28] The Mark is made up of the Spanish words RON and CENTENARIO along with the design of a horse's head in an outlined rectangle. When viewed as a whole, the Mark possesses some degree of inherent distinctiveness.

- [29] The Opponent's Registered Marks both feature the words GRAN and CENTENARIO. The trade-mark GRAN CENTENARIO & Design III also features a number of design elements, including stylised banners around the various word elements and a depiction of a female playing a trumpet as well as additional words elements, namely "reposado", "tequila", "100% agave azul" and "hecho en mexico". When viewed as a whole, the Opponent's Registered Marks also possess some degree of inherent distinctiveness.
- [30] Ultimately, I assess the inherent distinctiveness of the Mark and the Opponent's Registered Marks as about the same.
- [31] As the strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use, I will now turn to the extent to which the trade-marks have become known in Canada.
- [32] The Applicant did not file any evidence directed to the use of the Mark subsequent to the filing of the application and as a result I am unable to conclude as to the extent to which the Mark has become known.
- [33] Declarations of use were filed for the GRAN CENTENARIO word mark (TMA534,032) and GRAN CENTENARIO & Design III design mark (TMA707,792) on September 1, 2000 and January 25, 2008, respectively. I note however that the mere existence of the above-noted registrations can establish no more than *de minimis* use and cannot give rise to an inference of significant and continuous use of the Opponent's Registered Marks [see *Entre Computer Centers, Inc. v. Global Upholstery Co.* (1991), 40 C.P.R. (3d) 427 (T.M.O.B.)]. As such, I am unable to determine the extent to which the Opponent's Registered Marks have become known.
- [34] Based on the foregoing, I find that this factor favours neither party.
- 6(5)(b) the length of time each has been in use
- [35] The Mark was applied for on November 18, 2005 on the basis of proposed use in Canada. The Applicant has not filed any evidence which is directed to the use of the Mark subsequent to the filing of the application.

- [36] As previously noted in the discussion of the s. 6(5)(a) factor, the mere existence of the registrations can establish no more than *de minimis* use and cannot give rise to an inference of significant and continuous use of the Opponent's Registered Marks.
- [37] The Opponent submits that *de minimis* use is more than no use. Ultimately, however, I find that in the absence of evidence of use, this factor does not significantly favour the Opponent.
- 6(5)(c)— the nature of the wares
- [38] It is the Applicant's statement of wares as defined in its application versus the Opponent's registered wares that govern my determination of this factor [see *Esprit International v. Alcohol Countermeasure Systems Corp.* (1997), 84 C.P.R. (3d) 89 (T.M.O.B.)].
- [39] The Applicant applied to register the Mark in association with "alcoholic beverages, namely rum".
- [40] The Opponent's Registered Marks are registered for "tequila" (TMA534,032) and "tequila, tequila liqueurs, alcoholic cocktails containing tequila" (TMA707,792).
- [41] In its written argument, the Applicant concedes that the nature of both parties' businesses "relates to the field of liquor and alcoholic beverages". As a result, I find that both parties' wares belong to the general class of "alcoholic beverages". There is thus clear overlap between the parties' wares.
- [42] Based on the foregoing, this factor favours the Opponent.
- 6(5)(d) nature of the trade
- [43] There is no evidence of record regarding the nature of the parties' trades. However, neither the Opponent's Registered Marks nor the Applicant's application includes any restriction on the channels of trade. As a result, given the direct overlap in the wares, I may therefore conclude that the channels of trade associated with the Mark and the Opponent's Registered Marks could also overlap.
- [44] Based on the foregoing, this factor favours the Opponent.

- 6(5)(e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them
- [45] In most instances, the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested is the dominant factor and other factors play a subservient role in the overall surrounding circumstances [see *Beverly Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2) 145, conf. 60 C.P.R. (2d) 70 (F.C.T.D.)].
- [46] The law is clear that when assessing confusion it is not proper to dissect trade-marks into their component parts, rather, marks must be considered in their entirety [see *British Drug Houses Ltd. v. Battle Pharmaceuticals*, [1944] Ex. C.R. 239, at 251, affirmed [1946] S.C.R. 50 and *United States Polo Assn. v. Polo Ralph Lauren Corp.* (2000), 9 C.P.R. (4th) 51 at para 18, aff²d [2000] F.C.J. No. 1472 (C.A.)].
- [47] The parties' marks all feature the common CENTENARIO element. As will be discussed further below, there is no evidence of record that the word CENTENARIO is common to the trade.
- [48] In its written argument, the Applicant submits that the word CENTENARIO which, translates from Spanish to "centenary" refers to or implies a "process of aging of alcohol". The Applicant does not provide any supporting evidence for this statement. Even if I was to accept the Applicant's contention, there is no evidence of record to support a finding that the average French or English speaking Canadian consumer would know what the word CENTENARIO means [see *Mondo Foods Co. Ltd. v. Mondo Gelato (Denman) Inc.* (2008), 74 C.P.R. (4th) 28 (T.M.O.B.) and *Krazy Glue, Inc. v. Grupo Cyanomex, S.A. de C.V.* (1992), 45 C.P.R. (3d) 161 (F.C.T.D.)].
- [49] As noted in *United Artists Corp. v. Pink Panther Beauty Corp.* (1998), 80 C.P.R. (3d) 247 at 263 (F.C.A.),

While the marks [in issue] must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public's perception of it.

[50] With respect to the Mark, I find that the CENTENARIO element could have a determinative influence on the public's perception of the Mark as visually it forms the most

memorable component of the Mark. I find that it serves to increase the visual similarity between the parties' marks.

- [51] With respect to the Opponent's Registered Marks, I acknowledge that the trade-mark GRAN CENTENARIO & Design III features a number of design features but in my view CENTENARIO is still the most memorable component of the mark.
- [52] The inclusion of the word CENTENARIO as a dominant element of both parties' marks creates significant similarity in the ideas suggested by the marks.
- [53] Ultimately, when considered as a whole, I find that the Mark shares a significant degree of similarity with the Opponent's Registered Marks in appearance, sound and idea suggested.
- [54] Based on the foregoing, these factors favour the Opponent.

Additional Surrounding Circumstance – State of the Register

- In its written argument the Applicant submits that there are several third party trademarks coexisting on the Register in Canada as well as in other parts of the world in relation to alcoholic and liquor wares which incorporate the words CENTENARIO, CENTENARY and CENTURY. The Applicant does not, however, submit any evidence of the state of the register supporting this contention. I note that state of the register evidence cannot be considered where it is adduced through the written argument and without filing certified copies of the registrations or at least an affidavit affixing particulars of the relevant registrations [see *Unitron Industries Ltd. v. Miller Electronics Ltd.* (1983), 78 C.P.R. (2d) 244 at 253 (T.M.O.B.), followed in *John Labatt Ltd. v. W.C.W. Western Canada Water Enterprises Inc.* (1991), 39 C.P.R. (3d) 442 (T.M.O.B.), followed in *Frank T. Ross & Sons* (1962) Ltd. v. Hello Cosmetics Inc. (1994), 53 C.P.R. (3d) 124 (T.M.O.B.)].
- [56] Furthermore, the law is clear that, when adjudicating in an opposition proceeding, the Registrar does not exercise discretion to take cognizance of his own records except to verify whether claimed trade-mark registrations and applications are extant [see *Quaker Oats*, *supra* at 411 and *Royal Appliance Mfg. Co. v. Iona Appliance Inc.* (1990), 32 C.P.R. (3d) 525 (T.M.O.B)]. The parties to opposition proceedings are expected to prove each aspect of their case

following fairly strict rules of evidence [see *Loblaw's Inc. v. Telecombo Inc.* 2004 CarswellNat 5135 at para 13 (T.M.O.B.)].

- [57] The Applicant submits that the fact that the two original opponents (the Opponent and Tequila Cuervo) both owned trade-marks which incorporated the CENTENARIO element, supports a finding that the parties' marks are not confusing since the Opponent and Tequila Cuervo were content to have their respective marks coexist on the register. This submission has been rendered moot as, at the relevant date, the Opponent's Registered Marks are all owned by the Opponent.
- [58] Based on the foregoing, this does not constitute a relevant surrounding circumstance supporting the Applicant's case.

Additional Surrounding Circumstance – Examiner's Failure to Cite the Opponent's Marks

- [59] In its written argument, the Applicant submits that the fact that the Registrar did not cite the Opponent's Registered Marks against the application for the Mark supports a finding of no likelihood of confusion. This argument is of no assistance to the Applicant's case. A decision by an Examiner does not have precedential value for the Board because both the onus and evidence before an Examiner differs from that before the Board [see *Thomas J. Lipton Inc. v. Boyd Coffee Co.* (1991), 40 C.P.R. (3d) 272 (T.M.O.B.) at 277 and *Procter & Gamble Inc. v. Morlee Corp.* (1993), 48 C.P.R. (3d) 377 (T.M.O.B.) at 386].
- [60] Based on the foregoing, this does not constitute a relevant surrounding circumstance supporting the Applicant's case.

Additional Surrounding Circumstance: Opponent's Alleged "Family" of CENTENARIO Trademarks

[61] In its statement of opposition, the Opponent alleges that it owns a "family" of CENTENARIO trade-marks made up of the applications and registrations cited in its statement of opposition. In its statement of opposition, the Opponent pleaded that its family of CENTENARIO trade-marks are famous and that, as a result of this fame, confusion is more likely to occur.

- [62] In order to rely on a family of marks argument, one must prove use in Canada of each member of the family [see *McDonald's Corp. v. Yogi Yogurt* (1982), 66 C.P.R. (2d) 101 (F.C.T.D.)]. In the present case, the Opponent has failed to provide any evidence of use of the Opponent's claimed family of marks and as a result it is precluded from relying upon it.
- [63] Based on the foregoing, this does not constitute a relevant surrounding circumstance supporting the Opponent's case.

Additional Surrounding Circumstance: Applicant's Foreign Registrations

- [64] In its written argument, the Applicant submitted that it is the owner of the Mark in several jurisdictions including Guatemala, El Salvador, Ecuador, Peru, Nicaragua, Honduras, Argentina and OHIM. The Applicant submits that it provided evidence of these trade-marks in the form of certified copies of foreign registrations attached to the Yurick affidavit. The Applicant submits that it has used the Mark extensively in several jurisdictions and that the Applicant should therefore be entitled to use of the Mark in Canada.
- [65] At the oral hearing, the Opponent submitted that in assessing the issue of confusion, foreign registrations are irrelevant and evidence thereof should be disregarded [see *Pitman-Moore Ltd. v. Cyanamid of Canada Ltd.* (1977), 38 C.P.R. (2d) 140 (T.M.O.B.)]. I agree. As a result, I will not be placing any weight on the Yurick affidavit.
- [66] Based on the foregoing, this does not constitute a relevant surrounding circumstance supporting the Applicant's case.

Conclusion re s. 12(1)(d) of the Act

[67] Having considered all of the surrounding circumstances, in particular the overlap in the nature of the parties' wares and trade and the similarities in sound, appearance, and ideas suggested, I am not satisfied that the Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Registered Marks.

[68] Having regard to the foregoing, I allow the ground of opposition based on s. 12(1)(d) of the Act.

Non-entitlement Grounds

Section 16(3)(b) of the Act

- [69] The Opponent bases its s. 16(3)(b) ground of opposition on the following trade-marks owned by the Opponent:
 - GRAN CENTENARIO AZUL & Design application No. 1,254,373, design shown below:



• GRAN CENTENARIO AZUL & BOTTLE Design – application No. 1,254,828, design shown below:



• GRAN CENTENARIO & Design III – application No. 1,069,686, design shown below:



- GRAN CENTENARIO registration No. TMA534,032
- [70] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's cited pending applications, the Opponent has the initial onus of proving that the trade-mark applications alleged in support of its ground of opposition based on s. 16(3)(b) of the Act were pending at the date of filing the Applicant's application, November 18, 2005, and remained pending at the date of advertisement of the application for the Mark, August 23, 2006 [s. 16(5) of the Act]. The Registrar has the discretion, in view of the public interest, to check the register for applications relied upon by an opponent [see *Royal Appliance*, *supra*]. I have exercised my discretion to check the status of the applications cited by the Opponent.
- [71] The application for GRAN CENTENARIO AZUL & Design (1,254,373) was previously filed on April 15, 2005 based on proposed use in association with "tequila, tequila liqueur and alcoholic cocktails containing tequila" and remained pending at the date of advertisement of the Applicant's application.
- [72] The application for GRAN CENTENARIO & Design III (1,069,686), which has since matured to registration, was filed prior to the application for the Mark and remained pending at the date of advertisement of the application for the Mark. This application is based on proposed use for "tequila, tequila liqueurs, alcoholic cocktails containing tequila".
- [73] The application for GRAN CENTENARIO AZUL & BOTTLE Design (1,254,828) was filed on April 20, 2007, which was subsequent to the filing date for the application for the Mark. Also, the trade-mark GRAN CENTENARIO (TMA534,032) matured to registration on October 3, 2000 and thus was no longer pending at the date of advertisement of the application for the Mark. Since the application for GRAN CENTENARIO AZUL & BOTTLE Design (1,254,828) was filed subsequent to the filing date for the application for the Mark and the trade-mark GRAN CENTENARIO (TMA534,032) had matured to registration as of the date of advertisement of the application for the Mark, to the extent that the ground of opposition is based on application No. 1,254,838 and registration No. TMA534,032, it is dismissed for having been improperly pleaded.
- [74] Based on the foregoing, the Opponent has thus met its evidential burden with respect to the pending applications GRAN CENTENARIO AZUL & Design and GRAN CENTENARIO &

Design III (the Opponent's Pending Applications) and as a result, the s. 16(3)(b) ground will be based on these applications.

- [75] The facts are identical to those considered in the s. 12(1)(d) ground of opposition for the GRAN CENTENARIO & Design III mark and very similar for the GRAN CENTENARIO AZUL & Design mark.
- [76] As I came to the conclusion that, based on the evidence of record, the Mark is confusing with the GRAN CENTENARIO & Design III mark, and because the difference in relevant dates does not affect my analysis, the non-entitlement ground of opposition therefore succeeds with respect to GRAN CENTENARIO & Design III (application No. 1,069,686).
- [77] With respect to the GRAN CENTENARIO AZUL & Design mark, in terms of the s. 6 confusion analysis, I am of the view that the s. 6(5)(e) factor is the most important factor here. As stated previously, the factors enumerated in s. 6(5) of the Act need not be given equal weight [see *Mattel*, *supra*]. The inclusion of the dominant AZUL element in the GRAN CENTENARIO AZUL & Design Mark and the fact that the only common element, CENTENARIO, is a small, almost negligible component of the Opponent's mark lead to significant differences in appearance and sound between the parties' marks. As a result, I find that the 6(5)(e) factor shifts the balance in favour of the Applicant and I find that there is no likelihood of confusion between the Mark and the GRAN CENTENARIO AZUL & Design Mark.
- [78] Based on the foregoing, I find that the ground of opposition based on s. 16(3)(b) of the Act is successful with respect to the GRAN CENTENARIO & Design III mark (application No. 1,069,686) but it is dismissed with respect to GRAN CENTENARIO AZUL & Design (application No. 1,254,373), GRAN CENTENARIO AZUL & BOTTLE Design (application No. 1,254,828) and GRAN CENTENARIO (registration No. TMA534,032).

Section 16(3)(a) of the Act

[79] The s. 16(3)(a) ground of opposition is based upon the previous use and making known in Canada by the Opponent of the following trade-marks (hereinafter referred to as the Opponent's Previously Used Marks):

- GRAN CENTENARIO (TMA534,032) used with tequila
- GRAN CENTENARIO & Design III (TMA707,792) used with tequila, tequila liqueurs, alcoholic cocktails containing tequila
- GRAN CENTENARIO AZUL & Design (1,254,373) used with tequila, tequila liqueur and alcoholic cocktails containing tequila
- GRAN CENTENARIO AZUL & BOTTLE Design (1,254,828) used with alcoholic beverages; tequila
- [80] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's Previously Used Marks, the Opponent has the initial onus of proving that the trade-marks alleged in support of its ground of opposition based on s. 16(3)(a) of the Act were used or made known in Canada prior to the filing date for the Applicant's application (November 18, 2005) and had not been abandoned at the date of advertisement of the application for the Mark (August 23, 2006) [s. 16(5) of the Act].
- [81] As I have previously noted, aside from certified copies, the Opponent did not adduce any evidence of use or making known in Canada of the Opponent's Previously Used Marks. Accordingly, the Opponent has not discharged its burden of showing prior use and/or making known of any of the Opponent's Previously Used Marks and I dismiss the ground of opposition based on s. 16(3)(a) of the Act accordingly.

Non-distinctiveness Ground – s. 38(2)(d) of the Act

- [82] This ground of opposition essentially turns on the issue of confusion between the Mark and the Opponent's Marks used and made known in association with tequila products.
- [83] While there is a legal onus on the Applicant to show that the 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.)], there is an initial evidential burden on the Opponent to establish the facts relied upon in support of the ground of non-distinctiveness.
- [84] Pursuant to its evidential burden, the Opponent is under an obligation to show that, as of the filing of the statement of opposition, one or more of the Opponent's Marks had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC*]

v. Bojangles Café Ltd. (2004), 40 C.P.R. (4th) 553, affirmed (2006), 48 C.P.R. (4th) 427 (F.C.T.D.)].

[85] As discussed, aside from the certified copies, the Opponent has not filed any evidence regarding the use and reputation of the Opponent's Marks. I am unable to conclude on the evidence of record whether the Opponent's Marks had become known sufficiently to negate the distinctiveness of the Mark. Based on the foregoing, I dismiss the ground of opposition based on non-distinctiveness.

Disposition

[86] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

Andrea Flewelling Member Trade-marks Opposition Board Canadian Intellectual Property Office