

IN THE MATTER OF AN OPPOSITION
by Molson Breweries, A Partnership
to application No. 702,744
for the trade-mark **OHLSSON'S & DESIGN**
filed by Avalon International Incorporated (A British Virgin Islands Company)

On April 9, 1992, Avalon International Incorporated (A British Virgin Islands Company) filed an application to register the trade-mark **OHLSSON'S & DESIGN**, based on proposed use of the mark in Canada in association with beer, ale and porter. I have reproduced the mark below:



The mark was advertised for the purposes of opposition in the *Trade-marks Journal* dated November 3, 1993. A statement of opposition was filed on February 4, 1994 by Molson Breweries, A Partnership and a copy was forwarded to the applicant on April 25, 1994. The first ground of opposition is that the mark is not in compliance with Section 30(i) of the Trade-Marks Act, R.S.C. 1985, c. T-13, (hereinafter, the Act), as the applicant could not have been satisfied as to its entitlement to the use of the trade-mark since the applicant must have been aware of the opponent's well known trade-marks. The second ground is also under Section 30(i) in that the applicant could not have been satisfied that it was entitled to use the mark having regard to the fact that the opponent has established an extensive reputation in its corporate name. The third ground of opposition is that the trade-mark is not registrable pursuant to the provisions of Section 12(1)(d) of the Act as it is confusing with the opponent's registered marks. The fourth ground of opposition is that the application "is not registrable (sic) having regard to the provisions of Section 16(3)(c)" of the Act because, at the material date, the mark was confusing with the opponent's company name. The fifth ground of opposition is that the applicant is not entitled to register the mark because, at the material date, the mark was confusing with the opponent's registered trade-marks. The sixth ground of opposition is that the mark does not actually distinguish the wares of the applicant from the wares and services provided by the opponent in association with its registered trade-marks and its company name. The opponent's later request to amend this statement of opposition was refused.

The applicant filed a counter statement on August 23, 1994 stating that the application complies with Section 30; that its trade-mark is registrable; that the applicant is entitled to the trade-mark; and stating that the trade-mark does distinguish the wares of the applicant from the wares and services of the opponent.

The opponent's evidence consists of the affidavits of Christine Hasbani, Michel Morency, Blair Shier and Katherine Davie. The applicant filed the evidence of David Jacobus Broodryk, and Cecilia Toro. In reply the opponent filed the affidavits of Sandra M. Ward and Christine Hasbani. There were no cross-examinations of any of these affiants. Both parties participated in an oral hearing by telephone.

As a preliminary matter, with respect to the second Hasbani affidavit, I found the affiant's translations of the Argentinean documents could be given little, if any, weight. Her interpretation of the documents is hearsay, as it arose from the advice of James Palmer. In addition, there is no indication that the affiant or Mr. Palmer is able to translate Spanish to English, and as a result, I cannot confirm that the translation is accurate. The preferred method would be to have a certified translation of the documents accompanying the documents.

The first and second grounds of opposition are based on Section 30(i) of the Act, the opponent alleging that the applicant could not be satisfied that it was entitled to use the trade-mark **OHLSSON'S & DESIGN** in Canada in association with the wares in the present application, having regard to the prior use and registration of the opponent's trade-marks and corporate name. In my opinion, even if the applicant had been aware of the opponent's trade-marks and corporate name as of the filing date of its application, this fact can be consistent with the statement in the application that the applicant was satisfied that it was entitled to use the trade-mark **OHLSSON'S & DESIGN** in Canada on the basis *inter alia* that its mark is not confusing with the opponent's trade-marks and corporate name. As a result, the success of this ground is contingent on a finding that the trade-marks and corporate name at issue are confusing (see **Consumers Distributing Co. v. Toy World Ltd.** (1990), 30 C.P.R. (3d) 191 at p. 195 (TMOB); and **Sapodilla Co. v. Bristol-Myers Co.** (1974), 15 C.P.R. (2d) 152 at p. 155 (Reg. TM)).

The third, fourth, fifth and sixth grounds can be decided on the issue of confusion between the opponent's trade-marks and trade-name, and the applicant's mark. The applicant has conceded, for the purpose of this opposition proceeding only, that the words MOLSON or MOLSON'S have been used in Canada by the opponent as trade-marks and as part of a trade-name. For the purposes of this exercise, when referring to

the opponent's trade-marks, I am primarily considering the opponent's marks "MOLSON" UCA 46192, MOLSON TMA237,768 and MOLSON'S UCA 01472 all for use in association with brewed alcoholic beverages generally. In any event, I would have found these marks and the opponent's corporate name to have been in use prior to the relevant dates, and thus the opponent's burden to have been met in respect of each of the above grounds of opposition.

In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including those specifically enumerated in Section 6(5)(a)-(e) of the Act.

- (a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;
 - (b) the length of time the trade-marks or trade-names 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 or trade-names in appearance or sound or in the ideas suggested by them.
- R.S., c. T-10, s. 6.

Section 6(5)(a) concerns the inherent distinctiveness of the trade-marks and trade-name in question and the extent to which they have become known. The applicant's mark is a surname, and as such does not possess significant inherent distinctiveness. However, as the spelling of the surname which dominates the applicant's mark may appear unusual to North American consumers, the applicant's mark has a certain degree of visual inherent distinctiveness. In addition, the applied for mark includes design features, and so as a whole it possesses some degree of inherent distinctiveness. The applicant has not used its trade-mark in Canada.

The opponent's marks do not possess much inherent distinctiveness as they are essentially comprised of a surname. Nevertheless, the applicant has conceded, for the purpose of this opposition proceeding only, that the word MOLSON has been used by the opponent as trade-mark and trade-name in association with brewed alcoholic beverages so as to become well known prior to the relevant dates. The length of time these marks and trade-name have been in use would also obviously favour the opponent.

With respect to Section 6(5)(c), the nature of the wares, and Section 6(5)(d) the nature of the trades, the wares are identical and the channels of trade overlap.

Section 6(5)(e) of the Act concerns the degree of resemblance between the marks and corporate name in appearance, sound and ideas suggested. The applicant's mark is a label in which the predominant word is **OHLSSON'S**. The opponent's marks and trade-name are or include the word **MOLSON** or **MOLSON'S**. The ideas suggested are similar, as both the applicant's and the opponent's marks and name suggest a

surname. There is little immediate visual resemblance between the applicant's label and the opponent's marks and name. However, the test is not a side-by-side visual comparison. There is a great deal of phonetic similarity between the marks and name when spoken aloud. **OHLSSON'S** and **MOLSON'S** rhyme with one another. In fact, were it not for the letter M at the beginning of the opponent's marks and name, they would sound identical when spoken aloud. This is highly relevant as the applicant's and opponent's wares could be ordered verbally in a bar or restaurant. The applicant has suggested that whenever such wares are ordered verbally, there would be trained waiters or bar staff who would interpret which product is being ordered. In my opinion, it is possible for confusion to arise as a result of advertising, and that the consumer may be confused prior to ordering the wares. In that situation, the existence of trained staff would not remove the risk of confusion. The applicant further argues that any confusion between the marks would in effect be "mistake", and not the actual belief that the wares of the applicant and opponent are manufactured by the same person as set out in Section 6(2) of the Act. In my opinion, mistake and confusion are not mutually exclusive. Once a consumer is mistaken about the identity of the wares, they may have already inferred that they are manufactured by the other person. In addition, mistaking one trade-mark for another would be evidence that there is a high degree of resemblance between the marks.

Although the applicant has conceded that the opponent has a well known mark, it has countered that the opponent's trade-mark is so well known in Canada that no other trade-mark comprised of a surname is likely to be mistaken for it. The applicant also submits that consumers are used to distinguishing between surnames, such that small differences are sufficient to distinguish one surname from another. The applicant suggests as an example that there would be a reduced likelihood of confusion between the famous Conn Smythe, and anyone named Smith in respect of hockey. On the "well-known mark" point, I am inclined to follow the interpretation of Cattanach J. in the decision in The Wool Bureau of Canada Ltd. v. Queenswear (Canada) Ltd. (1980) 47 C.P.R. (2d) 11 (FCTD) at 18, where he states:

"...the Chairman must have attributed to these words the meaning that they constitute the proposition that when a trade-mark has become so well known and so widely used that there is no possibility of confusion with it arising in the minds of the public.

That, in my view does not necessarily follow. That a trade-mark has become a household symbol does not minimize the likelihood of confusion or the protection to be accorded to the mark. It is but a circumstance to be taken into account in assessing the likelihood of confusion."

In addition, I am not convinced by the applicant's arguments that consumers are used to distinguishing between surnames. In my opinion, this is not a fact so notoriously well known that I could take judicial notice of it, and no evidence has been filed which would allow me to make this conclusion. As a result, I have given the applicant's arguments

little, if any, weight.

As a further surrounding circumstance, the applicant submitted evidence of the state of the register by way of the Toro affidavit. Evidence of the state of the register is only relevant in as much as inferences may be made on it concerning the state of the marketplace (see **Ports International Ltd.** v. **Dunlop Ltd.** (1992) 41 C.P.R. (3d) 432 (TMOB)). Inferences regarding the state of the marketplace based on state of the register evidence can only be drawn when a significant number of pertinent registrations are located (see **Kellogg Salada Canada Inc.** v. **Maximum Nutrition Ltd.** (1992), 43 C.P.R. (3d) 349 (FCA)). Of the sixty-two registrations which incorporate the suffix SON appended to this affidavit, only three appear to be in use in association with brewed alcoholic beverages namely **MACKESON STOUT & DESIGN** TMA235,322, **GRUPPO MONTEDISON & DESIGN** TMA211,699 and **REDSON & DESIGN** TMA301,376. Although the remaining registrations may be for use in association with other alcoholic beverages, I am of the opinion that the public can distinguish beer from distilled alcoholic beverages and wine (see **Benedictine Distillerie de la Liqueur de l'Ancienne Abbaye de Fecamp** v. **John Labatt Ltee** (1990), 28 C.P.R. (3d) 487 at 489 (FCTD)). The public would not expect a brewing company to be the source of wine, or a distillery to be the source of beer. In other words, the expectation of the Canadian public would not be that they would be manufactured by the same person. In view of the limited number of relevant registrations for trade-marks including the suffix SON in association with brewed alcoholic beverages, together with the absence of any evidence of use of any of the marks in the marketplace, little weight can be given to this state-of-the-register evidence.

In reply, the opponent filed state of the register evidence which suggests that the opponent's marks and the applicant's mark are the only marks on the register used in association with class 32 or 33 which include the suffixes OLSON, LSSON, HILSON, OLSONS, LSSONS, and HILSONS. I have given reduced weight to this evidence as it is in the form of a computerized print-out list and identifies only the trade-mark, the application and or registration number, the mark owner and the wares or services. Details, such as the current status of the marks, are lacking. There are asterisks after some application numbers which are not explained. The preferred method of showing the state of the register is by filing certified copies of the relevant registration pages.

As a final surrounding circumstance, the opponent submits that it is the owner of a series or family of marks including as a feature the word MOLSON or MOLSON'S. It is the opponent's contention that the existence of such a family of marks increases the likelihood of confusion. In my opinion, the opponent does not possess a family of trade-

marks. Instead, it would appear that the applicant owns many marks which are comprised of a common house mark together with various product marks. Even if I were to have found that the opponent possesses a family of trade-marks, the existence of a family of trade-marks would not be particularly relevant here as the mark at issue does not contain the word MOLSON or MOLSON'S and the circumstances are not such that it would be expected that the public would automatically infer that the application would belong to the opponent's family of marks. I do not consider the principle of a series or family of marks of much assistance in this case.

The legal burden is on the applicant to show that there is no reasonable likelihood of confusion between the trade-marks and trade-name at issue. In my opinion, a consumer relying on their first impressions and imperfect recollection would likely recall and order both the applicant's and the opponent's brewed alcoholic beverages in a very similar way, namely, they would ask for a MOLSON'S, or a MOLSON [brand name] as opposed to an OHLSSON'S. Although the marks may be dissimilar when considered side by side, I find that the applicant's mark, when considered as a whole, is so similar in phonetic resemblance to the opponent's marks and name that it is likely to be confusing with the opponent's marks and trade-name. This likelihood of confusion is enhanced, given the extensive reputation associated with the opponent's name and marks and that the opponent's wares are identical to those sold by the applicant in association with its mark.

Essentially the same considerations as above apply to the remaining grounds of opposition, at the different material dates.

Pursuant to the authority delegated to me under Section 63(3) of the Act, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 10th DAY OF MARCH, 1998.

Peter C. Cooke
Member
Trade-marks Opposition Board