

IN THE MATTER OF AN OPPOSITION
by Canadian Pacific Hotels Corporation to
application no. 704,197 for the trade-mark
BANFF LAGER filed by Banff Brewery
Corporation

On May 4, 1992, the applicant, Banff Brewery Corporation filed an application to register the mark BANFF LAGER based on use since March 2, 1992 in association with “Beer, namely lager and ales”. The exclusive right to the word LAGER was disclaimed apart from the trade-mark. The application was advertised for the purposes of opposition in the Trade-marks Journal dated July 7, 1993 and a statement of opposition was filed by Canadian Pacific Hotels Corporation on November 10, 1993.

The statement of opposition was based on the following grounds:

- a) The application does not conform to the provisions of section 30 of the Trade-marks Act (hereinafter referred to as the “Act”) as the applicant has not used the mark since the date of March 2, 1992 or at all.
- b) The trade-mark is not registrable pursuant to section 12(1)(b) because it is clearly descriptive of the character or quality of the wares in association with which it is alleged to have been used or of their place of origin.
- c) The applicant is not the person entitled to use the mark because, at the date of filing the application, or at the date of first use if prior to the filing of the application, the mark was confusing with the trade-marks BANFF SPRINGS, BANFF SPRINGS PREMIUM DRY BEER and Design and BANFF SPRINGS HOTEL CENTENNIAL ALE 1888-1988 and Design, all of which had been previously used by the opponent in association with beer, and with the trade-mark and trade name BANFF SPRINGS which had been previously used in association with hotel services, including restaurant and beer services..
- d) The trade-mark is not distinctive of the applicant as it is not adapted to distinguish the wares of the applicant from the wares and services of the opponent and because it is clearly descriptive or deceptively misdescriptive of beer produced in the municipality of Banff, Alberta.

The statement of opposition was later amended with leave on December 31, 1993 to correct some technicalities and on May 19, 1994 to add a ground as follows:

- e) The mark is not registrable pursuant to section 12(1)(d) as it is confusing with the trade-mark

BANFF SPRINGS HOTEL CENTENNIAL ALE 1888-1988, registered in May 6, 1994 under no. 426,934 in association with beer.

On May 30, 1997 the opponent requested leave to file another amended statement of opposition to rely on a further registered trade-mark. Although this was a late stage to amend the opposition, I find that the amendment does not materially change the case that the applicant has to answer as the mark in question was cited in the section 16 ground of opposition. The applicant was also given three weeks to raise an objection and no objection was stated. Therefore, I am allowing the amended statement of opposition and ground (e) is thus amended to add the registration for BANFF SPRINGS, registered February 25, 1997 under no. 471,572 in association with beer.

The opponent's evidence consisted of the affidavits of Donna Chalmers, Brian Richardson, Cristel Lacourciere, Jack Boham, Philip Lapin and Dianne Nickerson.

Mr. Richardson, who is the opponent's Vice-president of marketing, attached directories and brochures for Canadian Pacific Hotels including the one in Banff. He said that they advertise in magazines, newspapers and on radio and that the opponent spends approximately \$34.3 million annually on marketing, \$3.3 million of which could be attributed to the Banff Springs Hotel. He also said that the Banff Springs Hotel attracts approximately 400,000 guests each year, of which about one third are Canadian.

Ms. Lacourciere is the food and beverage controller at the Banff Springs Hotel. She said that since 1987 the hotel has purchased from Big Rock Brewery in Calgary a private brand of beer they call BANFF SPRINGS HOTEL CENTENNIAL ALE. The beer was initially commissioned for the 100 year anniversary of the hotel but proved so popular that they continue selling it. She attaches samples of the label used on the beer and of the coasters bearing a replica of the label. She also attaches a copy of the invoice for the first shipment. In 1992 they bought 2,240 cases (12 bottles each). In 1993 (to the end of August) they bought 1,870 cases. In 1991 they commenced buying from Drummond Brewing Co. Ltd. in Alberta a private brand they sell as BANFF SPRINGS PREMIUM DRY BEER. Labels and coasters for this beer are also attached. In 1992 1,536 cases were ordered, in 1993 (to the end of August) 1,469 cases were ordered.

In the affidavit of Jack Boham, the resident manager of the hotel, sworn in 1994, he states

categorically that there is no Banff Brewery Corporation producing or selling beer yet. He also attaches copies of the yellow pages for the area showing that there are a lot of pubs and restaurants in the area.

Mr. Lapin, a student at law with the agents for the opponent, attaches dictionary definitions of LAGER and Ms. Nickerson, a legal secretary, attaches a certified copy of registration no. 426,934.

The applicant's evidence was due on September 10, 1994 and on September 13, 1994 the applicant filed a request for a retroactive extension of time and explained that the due date had been inadvertently missed by their office. An extension of time was therefore granted until March 10, 1995 and on March 8, 1995 the applicant filed a letter indicating that it would not be filing any evidence. The applicant failed to serve a copy of this letter on the agent's for the opponent so the agents for the opponent wrote to the trade-marks office on July 14, 1995 asking if the application had indeed been deemed abandoned pursuant to section 38(7.2) of the Act. The trade-marks office followed up with a letter on August 3, 1995, confirming that the application had been deemed abandoned so on August 30, 1995 the applicant requested a retroactive extension of time to serve the original March 8, 1995 letter on the opponent. The opposition board responded on October 25, 1995, indicating that they had not realized that the applicant had not been informed of its failure to serve a copy of its letter on the opponent and that the decision to deem the application abandoned was therefore null and void.

Both parties filed written arguments and an oral hearing was held at which only the opponent was represented.

At the oral hearing the opponent requested that I deal with the subject of the revival of the applicant's application as the opponent argued that the opposition board does not have the authority to revive an application once it has been deemed abandoned. However, I disagree with the opponent's contention. Section 47(1) of the Act gives the Registrar the right to grant either party an extension of time, in any case, on terms as the Registrar shall see fit to impose. Section 47(2) sets out that the Registrar can even grant a retroactive extension of time when the time fixed for doing an act has expired, as long as he is satisfied that the delay was not reasonably avoidable. Therefore, section 47 seems to contemplate that the Registrar will have a certain latitude in the administration of any time limits and there is nothing in the Act which suggests

that this latitude should not extend to deemed abandonments under section 38(7.2). In this case, the applicant missed the original due date by a few days and the only error thereafter was in not serving a copy of the letter stating that they would not be filing any evidence on the opponent. Usually, an omission of this kind is picked up by the opposition board and the party is able to correct it fairly expeditiously. It is unfortunate that the board did not notice that the letter had not been served, even when the opponent wrote in July to inquire as to the status, as this was really not a case where the application should have been deemed to be abandoned. However, the board dealt with the situation properly when all the circumstances came to light and the outcome was as it should be. As I have said in other decisions, section 38(7.2) is not there to trick applicants into inadvertently abandoning their applications, but to purge the opposition board's roster of inactive oppositions where the applicant truly has lost interest.

With regard to the first ground of opposition, based on section 30(b) of the Act, the material date for determining this is the date the application was filed, namely May 4, 1992. Although the onus is on the applicant to prove that its application conforms to the requirements of section 30, there is an initial evidential burden on the opponent to present some facts to support its allegations (see **Joseph E. Seagram & Sons Ltd. v. Seagram Real Estate Ltd.** (1984) 3 C.P.R. (3d) 325 (T.M.O.B.)) In this case the only evidence presented by the opponent is the bald statement of Mr. Boham where he says "I know that the Banff Brewery Corporation is not yet operating a production facility or selling beer." His affidavit is sworn on August, 1994 so the information is given as of that date. The initial evidential burden is lighter on the opponent in respect of a section 30(b) ground as this is information which is usually peculiarly within the applicant's knowledge and difficult for the opponent to prove. However, the question is whether this kind of unsupported statement can be enough to satisfy the opponent's evidential burden. Mr. Boham was not cross-examined on his affidavit, although the applicant obviously had the opportunity, therefore this evidence remains unchallenged. I do not think it is the role of the hearing officer to question the evidence when the applicant has chosen not to, therefore I accept Mr. Boham's statement as meeting the opponent's evidential burden. The onus is therefore on the applicant to prove that the mark has been used since the date of first use and as the applicant has filed no evidence in this case the applicant has failed to satisfy that onus. Therefore, this ground of opposition is successful and the application is refused. However, I will go on to consider some

of the other grounds of opposition.

With regard to the ground based on section 12(1)(d), the opponent is relying on two registrations, one for BANFF SPRINGS HOTEL CENTENNIAL ALE 1888-1988, reg. no. 426, 934 registered in 1994, based on use since 1988 in association with beer and coasters. The words BANFF and ALE are disclaimed. A representation of the mark is shown below:

The other mark relied upon by the opponent is a registration for BANFF SPRINGS, reg. no. 471,572, registered in 1997 based on use since 1991 in association with beer and coasters. The word BANFF is disclaimed. Although a certified copy of this mark was not filed I do have the right to check the register to confirm the existence of a registration (**Quaker Oats of Canada Ltd./La Compagnie Quaker Oats du Canada Ltee v. Menu Foods Ltd.** 11 C.P.R. (3d) 410).

The material date is the date of my decision (see **Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade-marks**, 37 C.P.R. (3d) 413 (F.C.A.)). There is a legal burden on the applicant to prove that there would be no reasonable likelihood of confusion between the trade-marks. In applying the test for confusion set out in section 6(2) of the Act, I must consider all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act.

With regard to the inherent distinctiveness of the marks, each mark contains descriptive

matter that has been disclaimed. There appears to be some discrepancy in the trade-marks office as to whether the word BANFF is descriptive in association with beer or not as the opponent had to disclaim it but the applicant did not. Nevertheless, I find that it is not very distinctive as it suggests that the beer is associated with the municipality of Banff.

With regard to the extent to which the marks have become known and the length of time they have been used, the applicant's mark may have been used since 1992, but there is no evidence to support this and the opponent has successfully presented evidence which brings the date of first use into question. The opponent's marks have been used since 1988 and 1991, respectively, although the sales of the beer appear to be fairly small and basically limited to the Banff Springs Hotel. Therefore this factor favours the opponent, but only marginally.

With regard to the nature of the wares, they are basically the same as they are both "beer".

With regard to the nature of the trade, beer is generally sold in the same types of places, restaurants, bars, in beer stores. I do not think the opponent should have the protection afforded to its registrations limited because it has only sold the beer in the hotel to date (apart from one limited sale to the beer store). Its registration does not restrict the places where the beer can be sold and the opponent may decide to expand its horizons beyond the hotel in the future. Similarly, the applicant's beer could well be sold in the hotel, alongside the opponent's beer.

With regard to the degree of resemblance between the marks, the opponent's mark BANFF SPRINGS is quite similar to BANFF LAGER as both begin with the word BANFF and although it may be suggestive of the fact that the beer is made in Banff, there is no state of the register evidence to show that it is a common word to use in association with beer, therefore it is likely that this similarity alone might confuse people. The applicant's mark is less similar to BANFF SPRINGS HOTEL CENTENNIAL ALE Design as the words "Banff Springs Hotel" appear on one line with a picture of the hotel in the background, thus the word BANFF is not as dominant. All the marks would be likely to conjure up the image of a beer brewed in the mountains.

Upon reviewing all the criteria then, and considering the fact that the wares are the same, that the opponent has made more use of its marks than the applicant, and given the fact that the marks are quite similar in appearance, sound and in the ideas suggested, I find that the applicant has not met its burden to prove that the average purchaser would not find that the marks are

confusing. This ground of opposition is therefore also successful. Under the circumstances, I do not think I need to go on to consider the remaining grounds. Therefore, having been delegated by the Registrar of Trade-marks pursuant to section 63(3) of the Act, I refuse the applicant's application pursuant to section 38(8) of the Act.

DATED AT HULL, QUEBEC, THIS 2nd OF JULY, 1997.

Sharon E. Groom
Hearing Officer