IN THE MATTER OF AN OPPOSITION by Molson Breweries, A Partnership to application No. 668,270 for the trade-mark GREAT WESTERN GOLD filed by Great Western Brewing Company Limited

On October 15, 1990, the applicant, Great Western Brewing Company Limited, filed an application to register the trade-mark GREAT WESTERN GOLD for a number of wares and services based on use in Canada since October 3, 1990. The application was amended to include a disclaimer to the word GREAT and was advertised for opposition purposes on November 13, 1991. The application was subsequently amended to delete all of the wares and services except "beer."

The opponent, Molson Breweries, A Partnership, filed a statement of opposition on February 3, 1991, a copy of which was forwarded to the applicant on May 4, 1992. The opponent was granted leave to amend its statement of opposition on January 14, 1994.

The statement of opposition states that the opponent is the owner of the following trademark registrations and applications for "alcoholic brewery beverages" or "brewed alcoholic beverages":

Reg. No./Appl'n. No.	<u>Trade-mark</u>
100,941	MOLSON'S GOLDEN ALE & Design
114,145	GOLDEN ALE & Design
161,252	MOLSON GOLDEN ALE & Design
290,098	MOLSON GOLDEN & Design
292,103	MOLSON GOLDEN
293,246	GOLDEN ALE & Design
309,841	MOLSON GOLDEN & Design
S.N. 506,627	GOLDEN

The first ground of opposition is that the application does not comply with the requirements of Section 30(i) of the Trade-marks Act because the applicant could not have been satisfied that it was entitled to use or register its trade-mark in view of the existence of

the opponent's application and registrations. The second ground is that the application does not comply with the provisions of Section 30(b) of the Act because the applicant did not use the applied for trade-mark since the date claimed in the application and, in any event, used it for malt liquor rather than beer. The third ground of opposition is that the applied for trademark is not registrable because it is confusing with the opponent's registered trade-marks noted above. The fourth ground of opposition is that the applicant is not the person entitled to registration because its applied for trade-mark is confusing with the opponent's above-noted trade-marks previously used in Canada. The fifth ground is that the applied for trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As its evidence, the opponent filed the affidavits of David Perkins and Eugene F. Derenyi. The applicant filed an affidavit of its President, Peter Brian McCann. Both parties filed a written argument and an oral hearing was conducted on March 18,1996 at which both parties were represented.

By letter dated March 4, 1996, the applicant requested leave pursuant to Rule 46(1) of the Trade-marks Regulations to file additional evidence in the form of an affidavit of Linda Joyce Elford. I refused the applicant's request on March 13, 1996.

As for the first ground of opposition, the allegations of fact raised by the opponent do not support a ground of non-compliance with Section 30(i) of the Act. The mere existence of the opponent's application and registrations does not preclude the applicant from being satisfied that it was entitled to use its mark. The opponent did not even allege that the applicant was aware of the opponent's marks. Thus, the first ground of opposition is unsuccessful.

The opponent's second ground of opposition is based on the provisions of Section 30(b) of the Act. The material time for considering this ground is as of the applicant's filing date. The onus or legal burden is on the applicant to show its compliance with the provisions of Section 30(b) of the Act: see the opposition decision in <u>Joseph Seagram & Sons</u> v. <u>Seagram</u> <u>Real Estate</u> (1984), 3 C.P.R.(3d) 325 at 329-330 and the decision in <u>John Labatt Ltd.</u> v. <u>Molson</u> <u>Companies Ltd.</u> (1990), 30 C.P.R.(3d) 293 (F.C.T.D.). There is, however, an evidential burden on the opponent respecting its allegations of fact in support of that ground. That burden is lighter respecting the issue of non-compliance with Section 30(b) of the Act: see the opposition decision in <u>Tune Masters</u> v. <u>Mr. P's Mastertune</u> (1986), 10 C.P.R.(3d) 84 at 89.

The applicant has formally complied with Section 30(b) by including a date of first use in its application. The issue then becomes whether the applicant has substantively complied with that subsection - i.e. - is that date correct? In this regard, the opponent points to the McCann affidavit which establishes that the applicant has used its mark in the design format shown below (the words GREAT WESTERN are red; the word GOLD is black).

It is the opponent's contention that use of that design mark does not constitute use of the trademark GREAT WESTERN GOLD.

In the decision <u>Nightingale Interloc Ltd.</u> v. <u>Prodesign Ltd.</u> (1984), 2 C.P.R.(3d) 535 (T.M.O.B.), Mr. Troicuk held at page 538 as follows:

> Use of a mark in combination with additional material constitutes use of the mark 'per se' as a trade mark if the public, as a matter of first impression, would perceive the mark 'per se' as being used as a trade mark.

Reference may also be made to the decision in <u>Registrar of Trade Marks</u> v. <u>Compagnie</u> Internationale pour L'Informatique CII Honeywell Bull, S.A. (1985), 4 C.P.R.(3d) 523 (F.C.A.).

In my view, the opponent has met its evidential burden by pointing to the McCann affidavit and the particular label design used by the applicant which Mr. McCann states is typical of the labels used since October 3, 1990. Having regard to the layout of that label design, it is not apparent that the average consumer would, as a matter of first impression, identify it as including the separate mark GREAT WESTERN GOLD. The words GREAT WESTERN appear as part of the applicant's trade-name The Great Western Brewing Company and the word GOLD appears at the bottom of the label more as an adjective modifying the product descriptions "malt liquor" and "liqueur de malt." Furthermore, the words GREAT WESTERN GOLD appear within a diamond-shaped border separate from the word GOLD and they appear in a different size, format and color.

It may be that the average consumer would, as a matter of first impression, identify the applicant's label design by the trade-mark GREAT WESTERN GOLD. However, since the opponent has met its evidential burden, it was incumbent on the applicant to file evidence to support its position. Since the applicant failed to file any evidence on point, I find that the second ground is successful.

The opponent has also based its second ground of opposition on the allegation that the applicant did not use its mark for the applied for wares of "beer" as of the claimed date of first use but rather used the mark for "malt liquor" which is a different product from beer. However, <u>Webster's New Collegiate Dictionary</u> defines "malt liquor" as "a fermented liquor (as beer) made with malt." Thus, I consider that this aspect of the second ground is unsuccessful.

The remaining grounds of opposition all turn on the issue of confusion between the marks of the parties although the material time for each ground is different. The opponent's strongest ground is its ground of prior entitlement based on prior use of its trade-mark GOLDEN. As required by Section 16 of the Act, the opponent has satisfied the burden on it to evidence use of its trade-mark GOLDEN prior to the applicant's date of first use and nonabandonment of that mark as of the applicant's advertisement date. The ground therefore remains to be decided on the issue of confusion between the mark GOLDEN and the applicant's mark GREAT WESTERN GOLD.

The material time for considering the circumstances respecting the issue of confusion is as of the applicant's claimed date of first use in accordance with the wording of Section 16(1) of the Act. Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, the opponent's trade-mark GOLDEN is clearly descriptive of brewed alcoholic beverages: see the decision in <u>John Labatt Ltd.</u> v. <u>Molson Cos.</u> <u>Ltd.</u> (1987), 19 C.P.R.(3d) 88 (F.C.A.). The applicant's mark GREAT WESTERN GOLD is inherently weak since each of the three words comprising the mark is descriptive, suggestive or laudatory of beer. As of the material time, the applicant's mark was not known at all in Canada.

The opponent, on the other hand, has evidenced long and extensive use of its trademark GOLDEN in combination with its house mark MOLSON or MOLSON'S for brewed alcoholic beverages. In his affidavit, Mr. Perkins attests to sales by the opponent of beer bearing labels featuring the mark GOLDEN in excess of \$1 billion for the period 1970 to 1990. Advertising expenditures for that same period were greater than \$45 million. Thus, as of the material time, the opponent's trade-mark GOLDEN had become very well known in Canada. (The opponent also relied on a photocopy of an affidavit of Daniel G. Herlihy appended as an exhibit to the Perkins affidavit to support its contention that its mark is very well known. However, the photocopy of the Herlihy affidavit is hearsay and is therefore inadmissible.) The length of time the marks have been in use favors the opponent. The wares and trades of the parties are the same. The marks of the parties bear some degree of visual and phonetic resemblance, the final component of the applicant's mark being very similar to the opponent's mark. On the other hand, the ideas suggested by the marks are somewhat different.

The applicant has submitted that the significance of any resemblance between the marks is mitigated by the state of the register evidence referred to in its counter statement. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in <u>Ports International Ltd.</u> v. <u>Dunlop Ltd.</u> (1992), 41 C.P.R.(3d) 432 and the decision in <u>Del Monte Corporation v. Welch Foods Inc.</u> (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in <u>Kellogg Salada Canada Inc.</u> v. <u>Maximum Nutrition Ltd.</u> (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

In the present case, the applicant failed to file evidence to establish the state of the trade-marks register respecting GOLD or GOLDEN marks for alcoholic beverages. Even if the applicant had evidenced the four registrations of that type referred to in its counter statement, the existence of four registrations is insufficient to allow me to conclude that there has been common use of such marks by other traders in the marketplace.

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 reputation associated with the opponent's mark GOLDEN, the identity between the wares and trades of the parties and the fact that there is some resemblance between the marks at issue, I find that the applicant has failed to satisfy the onus on it to show that there was no reasonable likelihood of confusion between the marks. The ground of prior entitlement based on the opponent's mark GOLDEN is therefore successful and the remaining grounds need not be considered. In view of the above, I refuse the applicant's application.

DATED AT HULL, QUEBEC, THIS 19th DAY OF MARCH, 1996.

David J. Martin, Member, Trade Marks Opposition Board.