

**IN THE MATTER OF AN OPPOSITION  
by Tradall S.A. to application no. 1110363  
for the trade-mark DE MARTINO filed  
by Sociedad Agricola Santa Teresa Ltda.**  
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On July 23, 2001, Sociedad Agricola Santa Teresa Ltda. filed an application to register the trade-mark DE MARTINO, based on use of the mark in Canada since at least as early as 1993, in association with “alcoholic beverages, namely wines.” The applicant has disclaimed the right to the exclusive use of the word MARTINO apart from the mark as a whole.

The application was advertised for opposition purposes in the *Trade-marks Journal* issue dated April 30, 2003, and was opposed by Tradall S.A. on September 30, 2003. A copy of the statement of opposition was forwarded by the Registrar of Trade-marks to the applicant, on October 21, 2003, as required by Section 38(5) of the *Trade-marks Act*. The applicant responded by filing and serving a counter statement. The opponent was subsequently granted leave, on September 14, 2004, to amend the statement of opposition.

The opponent's evidence consists of the affidavits of Anthony Amato, Group Brand Manager for various MARTINI Mark products for Bacardi Canada Inc. (“Bacari”); and Sheree Smyth, legal assistant. The applicant's evidence consists of the affidavits of Pietro Jorge De Martino Caceres, General Manager of the applicant company; John Ripley, student at law; and Theresa Leung, trade-mark agent. The opponent's reply evidence consists of the affidavit of

Stephanie Pearce, student at law. Only the opponent submitted a written argument and only the opponent was represented at an oral hearing.

#### STATEMENT OF OPPOSITION

The first ground of opposition alleges that the application does not comply with Section 30(b) of the *Trade-marks Act* because the applied for mark DE MARTINO was not used since at least as early as 1993.

The second ground alleges non-compliance with Section 30(i) because at the claimed date of first use the applicant could not have been satisfied that it was entitled to use the applied for mark.

The third ground, pursuant to Section 12(1)(d), alleges that the mark DE MARTINO is not registrable because it is confusing with one or more of the opponent's registered trade-marks, including the word mark MARTINI, covering various alcoholic beverages including wine. The opponent's other registrations consist chiefly of word and design marks wherein the word component MARTINI is featured prominently, as illustrated below:



regn no. UCA000214



regn. no. 105899



regn. no. UCA050801

The opponent refers to its registered marks collectively as the MARTINI Marks and I will do likewise.

The fourth ground, pursuant to Section 16(1)(a), alleges that the applicant is not entitled to register the applied for mark because, at the date of first use of the mark, it was confusing with the opponent's MARTINI Marks previously used in Canada.

The last ground alleges that the applied for mark is not distinctive of the applicant's wares within the meaning of Section 2 of the *Act*, for the reasons set out in the prior grounds.

#### OPPONENT'S EVIDENCE

*Sheree Smyth*

Ms. Smyth's affidavit serves to introduce into evidence copies of the opponent's registrations for

its MARTINI Marks.

*Anthony Amato*

Mr. Amato's evidence may be summarized as follows. Bacardi and the opponent Tradall are related companies in that both are part of the Bacardi Group and are ultimately controlled by Bacardi Limited. Bacardi distributes products in Canada on behalf of Tradall.

Alcoholic beverages sold under the MARTINI Marks are packaged in glass bottles of various sizes and are distributed by Bacardi to about 2000 retail outlets across Canada, including 650 outlets in Ontario. The retail channels are typically provincial liquor control boards. Annual sales for the fiscal years 1983 to 2003 inclusive averaged about 190,000 units of 9L cases. The MARTINI Marks prominently featuring the word component MARTINI have been affixed on all packaging, labels and boxes since at least as early as 1983. Between \$700,000 and \$1 million has been spent annually on marketing, advertising and promoting products sold under the MARTINI Marks since 1983. The distribution of merchandise bearing the MARTINI Marks and the opponent's business strategy to supply licensed establishments such as bars and restaurants with displays of MARTINI products (detailed in paragraphs 11-13 of Mr. Amato's affidavit) have resulted in widespread visibility of the MARTINI Marks throughout Canada. The opponent's MARTINI & ROSSI ASTI product is the number one imported sparkling wine in Canada.

## APPLICANT'S EVIDENCE

*Pietro Jorge De Martino Caceres*

Mr. Caceres' evidence may be summarized as follows. The applicant is a winery based in Chile where its vineyards were first established in about 1945. Its wines are sold in Chile as well as exported to other countries including Canada. The applicant is the registered owner of the mark DE MARTINO in Chile as well as in several other jurisdictions, including the United States of America.

The applicant is represented in Canada by agents, the first agent apparently authorized on or about July 6, 1993, as evidenced by a Letter of Authorization attached as Exhibit B to Mr. Caceras' affidavit. The applicant's wines have been sold in Canada since 1993 specifically in Quebec, British Columbia, Manitoba and Nova Scotia. Attached as Exhibit C to Mr. Caceras' affidavit are purchase orders and invoices dating back to May 26, 1994. The dollar value of sales of the applicant's wines under its trade-mark DE MARTINO have fluctuated considerably from year to year between 1995 and 2004, from a high of \$268,000 in 2001 to a low of \$32,400 in 1995. Generally sales were in excess of \$100,000 annually. Attached as Exhibit E are samples of bottle labels used on the applicant's wine products sold in Canada. The labels prominently feature the word mark DE MARTINO. Attached as Exhibit G are awards received by the applicant for its wines, including awards from Selections Mondiales - Montreal - Jury International for the years 1994 and 1996.

*Theresa Leung*

Ms. Leung's affidavit serves to introduce into evidence a state of the trade-marks register search for "all pending applications and registrations for trade-marks containing the word 'martin' in Class 33 which includes alcoholic beverages." Thirty-one third party marks were located. The opponent's submission in respect of Ms. Leung's evidence is found at paragraph 28 of its written argument, which reads as follows:

The Leung affidavit is helpful to the Opponent, as it assists in highlighting the visual and phonetic similarities between MARTINI and DE MARTINO, particularly when set against the state of the Register in association with *alcoholic beverages* in Canada. Once the Opponent's portfolio is factored out of the search, the striking fact is that the remaining marks bear precious little resemblance to MARTINI . . .

I am in general agreement with the opponent's above submission.

*John Ripley*

Mr. Ripley visited several Liquor Control Board of Ontario ("LCBO") retail outlets in the City of Toronto. He observed that red and white wines were generally shelved and labelled according to their country or province or origin, and that sparkling wines were generally shelved and labelled separately. At all of the locations, "Martini Rossi Asti" wine was shelved in the section labelled "Sparkling Wine" or "Champagne." Mr. Ripley also conducted an Internet search for information on "De Martino" and the results of the search are attached as exhibits to his affidavit.

## OPPONENT'S REPLY EVIDENCE

*Stephanie Pearce*

Ms. Pearce attended at three Société des Alcools du Québec ("SAQ") retail outlets in Gatineau, Quebec. At each location she was able to purchase alcoholic products sold under the applied for mark DE MARTINO and under the opponent's MARTINI Marks. Ms. Pearce also conducted LCBO and SAQ website searches which are attached as Exhibit C to her affidavit.

## EVIDENTIAL BURDEN & MAIN ISSUE

The legal onus is on the applicant to show that the application does not contravene the provisions of the *Trade-marks Act* as alleged by the opponent in the statement of opposition. However, there is also, in accordance with the usual rules of evidence, an evidential burden on the opponent to prove the facts inherent in its allegations pleaded in the statement of opposition: see *John Labatt Limited v. The Molson Companies Limited*, 30 C.P.R. (3d) 293 at 298. The presence of an evidential burden on the opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist.

With respect to the first ground of opposition based on Section 30(b), the opponent argues that the applicant has not established that it did in fact use its mark DE MARTINO in Canada at any time in 1993 as claimed in the subject application. The evidential burden on the opponent to put Section 30(b) into issue is relatively light (see *Tune Masters v. Mr. P's Mastertune* (1986), 10 C.P.R.(3d) 84 at 89 (TMOB)), and may be met by reference to the applicant's own evidence: see

*Labatt Brewing Company Limited v. Molson Breweries, a Partnership* (1996), 68 C.P.R.(3d) 216 at 230 (F.C.T.D.). The opponent notes that (i) the applicant has not provided any sales figures for the year 1993, (ii) that some invoices submitted by the applicant state that the applicant is supplying “Samples without commercial value,” and (iii) that no invoices date from 1993. The opponent also argues that it is also not clear from the evidence whether the applicant or a third party (De Martino Wines) is using the mark in Canada.

I agree with the opponent to the extent that there are lacunae in the applicant’s evidence which might have been more detailed and comprehensive regarding the introduction of the applicant’s DE MARTINO products into Canada. However, there is nothing in the applicant’s evidence which is inconsistent with the date of first use claimed in the application and the opponent has not submitted any evidence of its own to put the date of first use in doubt. In the circumstances, I find that the opponent has not met its evidential onus with respect to the first ground, which is therefore rejected.

The main issue with respect to the remaining grounds of opposition is whether the applied for mark DE MARTINO is confusing with one or more of the opponent’s MARTINI Marks. The material dates to assess the issue of confusion are (i) the date of my decision with respect to the ground of opposition pursuant to Section 12(1)(d) alleging non-registrability; (ii) the date of filing of the application, that is, December 31, 1993, with respect to the ground of opposition pursuant to Section 16 alleging non-entitlement; (iii) the date of opposition, that is, September 30, 2000 with respect to the ground of opposition alleging non-distinctiveness: for a review of case law



concerning material dates in opposition proceedings see *American Retired Persons v. Canadian Retired Persons* (1998), 84 C.P.R.(3d) 198 at 206 - 209 (F.C.T.D.).

#### LEGAL ONUS

As alluded to earlier, the legal onus is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of Section 6(2) of the *Trade-marks Act*, between the applied for mark DE MARTINO and one or more of the opponent's MARTINI Marks. The presence of an onus on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant: see *John Labatt Ltd. v. Molson Companies Ltd.* (1990) 30 C.P.R.(3d) 293 at 297-298 (F.C.T.D.). The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are set out in Section 6(5) of the *Trade-marks Act*: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; the degree of resemblance in appearance or the sound of the marks or in the ideas suggested by them. This list is not exhaustive; all relevant factors are to be considered. All factors do not necessarily have equal weight. The weight to be given to each depends on the circumstances: see *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R.(3d) 308 (F.C.T.D.).

#### SECTION 6(5) FACTORS

The applied for mark DE MARTINO possesses a low degree of inherent distinctiveness

owing to the surname significance of the component MARTINO. I conclude from the evidence that the mark DE MARTINO began to acquire distinctiveness in 1994, through sales under the mark, and continued to acquire some reputation up to the later material dates. The opponent's word mark MARTINI and its other MARTINI Marks also possess low degrees of inherent distinctiveness owing to the surname significance of the component MARTINI and also because MARTINI refers to a mixed alcoholic drink. I am satisfied from the evidence that the opponent's MARTINI Marks had acquired a substantial reputation in Canada at all material times. The length of time that the marks in issue have been in use favours the opponent as the opponent has been using its marks in Canada since 1983 while the applicant does not claim use of its mark prior to December 31, 1993. I find that the nature of the parties' wares are very similar, and it is clear from the evidence that the parties' wares travel through the same or overlapping channels of trade. The parties' marks, considered in their entireties, resemble each other to a fair extent visually and aurally owing to the visual and phonetic similarities between the components MARTINO and MARTINI. The parties' marks resemble each other less in ideas suggested as the term MARTINI describes a mixed alcoholic drink (as well as having surname significance) while the applied for mark DE MARTINO only has surname significance.

#### DISPOSITION

Having regard to the above, and considering in particular the low inherent distinctiveness of the applied for mark DE MARTINO and the acquired distinctiveness of the opponent's MARTINI Marks, I find that the applicant has not shown, on a balance of probabilities, that there is no reasonable likelihood of confusion between the applied for mark DE MARTINO and

the opponent's mark MARTINI, at any of the material dates. Accordingly, the application is refused.

DATED AT VILLE DE GATINEAU, QUEBEC, THIS 24th DAY OF DECEMBER, 2008.

Myer Herzig,  
Member,  
Trade-marks Opposition Board