

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

**Citation: 2012 TMOB 196 Date of Decision: 2012-10-31** 

IN THE MATTER OF AN OPPOSITION by La Céleste Levure Inc. to application No. 1,291,316 for the trade-mark CELESTE in the name of Seleccion De Torres, S.L.

# File Record

- [1] On February 23, 2006, Seleccion De Torres, S.L. (the Applicant) filed an application to register the trade-mark CELESTE (the Mark) in association with wines (Wares). The application was based on use in Canada since at least as early as November 25, 2005.
- [2] The application was advertised for opposition purposes in the *Trade-marks Journal* of October 11, 2006.
- [3] On December 11, 2006 La Céleste Levure Inc. (the Opponent) filed a statement of opposition which was forwarded by the Registrar to the Applicant on January 4, 2007. It was once amended such that the grounds of opposition now pleaded are:
  - 1. The Application does not satisfy the requirements of section 30 of the *Trade-marks Act* RSC 1985, c T-13, (the Act) in that the Applicant could not have been and cannot be satisfied of its entitlement to use the Mark in Canada in association with the Wares as the Applicant was aware of the use and registration of the trade-mark LA CÉLESTE LEVURE by the Opponent and the use of the trade-names LA CÉLESTE LEVURE and CÉLESTE LEVURE in association with the services of brokerage and representation in the field of wines and beers as well as the services of retail sale of wines;
  - 2. The Mark is not registrable in view of section 12(1)(d) of the Act since the Mark is confusing with the Opponent's registered trade-mark LA CÉLESTE LEVURE, certificate

- of registration TMA508,909 covering the services of brokerage and representation in the field of wines and beers as well as the services of retail sale of wines;
- 3. The Applicant is not the person entitled to the registration of the Mark pursuant to section 16(1)(a) of the Act in that at the filing date of the application the Mark was confusing with the Opponent's trade-mark LA CÉLESTE LEVURE and the associated trade-marks CÉLESTE, LE CÉLESTE, CÉLESTEMENT VÔTRE, CELESTIALLY YOURS previously used in Canada by the Opponent in association with the services of brokerage and representation in the field of wines and beers as well as the services of retail sale of wines:
- 4. The Applicant is not the person entitled to the registration of the Mark pursuant to section 16(1)(c) of the Act in that at the filing date of the application the Mark was confusing with the Opponent's trade-names LA CÉLESTE LEVURE and CÉLESTE LEVURE previously used in Canada by the Opponent in association with the services of brokerage and representation in the field of wines and beers as well as the services of retail sale of wines:
- 5. Pursuant to section 38(2)(d) of the Act, the Mark is not distinctive within the meaning of section 2 in that it does not distinguish nor is it adapted to distinguish nor capable of distinguishing any wares of the Applicant from the services of the Opponent in view of the confusion that it creates with the Opponent's trade-marks and trade-names identified above:
- 6. Pursuant to section 38(2)(d) of the Act, the Mark is not distinctive in that the Applicant does not control the quality of the wares sold under license in association with the Mark in conformity with section 50 of the Act.
- [4] In its counter statement filed on February 5, 2007 the Applicant denied all grounds of opposition. It amended its counter statement on August 10, 2007 in order to deny the amended grounds of opposition.
- [5] The Opponent filed as its evidence the affidavit of Charles Goyer while the Applicant filed the affidavit of Luis de Javier. Mr. Goyer was cross-examined and the transcript is part of the record.
- [6] Only the Applicant filed a written argument and both parties were represented at a hearing.

#### Legal Onus and Burden of Proof

[7] The legal onus is upon the Applicant to show that the application complies with the provisions of the Act, but there is however 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. Once this initial burden is met, the Applicant

has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E Seagram & Sons Ltd et al v Seagram Real Estate Ltd* (1984), 3 CPR (3d) 325 (TMOB); *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) and *Wrangler Apparel Corp v The Timberland Company* [2005] FC 722].

#### Grounds of opposition summarily dismissed

- [8] At the hearing the Opponent's agent admitted that there was no evidence in the record to support the grounds of opposition based on section 30(i) of the Act and lack of distinctiveness of the Mark caused by the absence of control over the use of the Mark.
- [9] Consequently, the first and sixth grounds of opposition are dismissed for failure by the Opponent to meet its initial burden of proof.

#### Registrability of the Mark under Section 12(1)(d) of the Act

- [10] The relevant date is the date of the Registrar's decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 at 424 (FCA)].
- [11] Mr. Goyer, the Opponent's President, filed a copy of an extract of the register for registration TMA508,909 for the trade-mark LA CELESTE LEVURE. It covers brokerage services and representation services related to wines and beers; retail sale of wines (the Opponent's services). In its statement of opposition the Opponent was referring to CÉLESTE, CÉLESTE LEVURE and LA CÉLESTE LEVURE. I do not consider the use of "céleste" as opposed to "celeste" to be an important modification of the registered trade-mark LA CELESTE LEVURE such that it would constitute use of a different trade-mark [see *Canada (Registrar of Trade-marks) v Cie Internationale pour l'informatique CII Honeywell Bull, SA* (1985), CPR (3d) 523]. I shall however reproduce in my decision the exact script appearing on the documents referred thereto.
- [12] As such it would appear that the Opponent has met its initial burden. However the Applicant argues that certificate of registration TMA508,909 is *void ab initio* and as a

consequence this ground of opposition should be dismissed for failure by the Opponent to meet its initial burden.

- [13] The following is a summary of the facts relied upon by the Applicant to support its contention. The application for the registration of the trade-mark LA CELESTE LEVURE was filed in the name of Charles Goyer on the basis of intention to use [see annex 1 to the reply to undertakings made during the cross-examination of Mr. Goyer]. The declaration of use that lead to the registration of that mark was executed on February 11, 1999 by Mr. Goyer's trade-mark agent on his behalf [see annex 6 to the reply to undertakings made during the cross-examination of Mr. Goyer]. However at that date, the trade-mark LA CELESTE LEVURE was no longer owned by Mr. Goyer but by the Opponent as it had been assigned to the Opponent according to a *nunc pro tunc* agreement effective December 23, 1998 between Mr. Goyer and the Opponent [see annex 9 to the reply to undertakings made during the cross-examination of Mr. Goyer].
- [14] The Applicant argues that the declaration of use was signed by Mr. Goyer in his personal capacity and not as an officer or director of the Opponent. He had no right to sign the declaration since at that time the mark was the Opponent's property. I note that the declaration of use was signed by a trade-mark agent. However it was executed on behalf of Mr. Goyer, the original applicant.
- [15] The Applicant is trying to make a distinction between a trade-mark registration that would be valid until found invalid, thus voidable, and one *void ab initio*. In the latter case the Applicant argues that the registration should not benefit from the presumptions and rights enumerated in section 19 of the Act. Accordingly there could be no confusion with a registered trade-mark because the registration never existed on the register.
- [16] The Applicant has referred to case law to support its contention that, because the registration was obtained on the basis of a declaration of use executed by or on behalf of Mr. Goyer in his personal capacity while he was no longer the owner of the mark applied for, the registration would be *void ab initio*. However none of the cases are right on point. Most of the jurisprudence cited by the Applicant involves either proceedings taken before the Federal Court under section 57 of the Act where a registration was struck from the register, or taken under *The Unfair Competition Act*, which preceded the Act [see *WJ Hughes & Sons "Cornflower" Ltd v*

Morawiec (1970), 62 CPR 21; Standard Brands Ltd v Staley (1946), 6 CPR 27, Marchands Ro-Na Inc v Tefal SA (1981), 55 CPR (2d) 27; Rainsoft Water Conditioning Co v Rainsoft (Regina) Ltd (1987), 14 CPR (3d) 267(FCTD); and Unitel Communications Inc v Bell Canada (1995) 61 CPR (3d) 12].

- [17] In those cases where a registration was struck from the register by the Federal Court the evidence clearly showed that there was a false declaration of intention to use the mark applied for at the filing stage of the application, combined with a false declaration of use filed to obtain the registration of the mark [see *Ro-Na* and *Unitel*, supra].
- [18] In cases where there was an innocent misstatement, the Federal Court ordered that the registration be simply amended [see WCC Containers Sales Limited and WCC Refurb Limited v Haul-All Equipment Ltd 2003 FC 962; Parfums de Coeur, Ltd v Asta (2009) FCJ No 17; and Miranda Aluminium Inc v Miranda Windows & Doors Inc 2009 FC 669].
- [19] The Applicant is not asking the Registrar to declare the Opponent's registration *void ab initio* but would like the Registrar to give it no effect at this stage. In any event I am not persuaded that the Registrar has the authority to declare a registration *void ab initio* or that he can ignore the presumptions of section 19 of the Act namely the Opponent's ownership of a presumed valid registration. It has been mentioned on numerous occasions that opposition proceedings are not the appropriate forum to challenge the validity of a registered trade-mark cited by an opponent in support of a ground of opposition based on section 12(1)(d) of the Act [see *Magill v Taco Bell Corp.* (1990), 31 CPR (3d) 221 (TMOB)]. By not considering the Opponent's registration it would be tantamount to a conclusion that the registration has no effect. Only the Federal Court of Canada has jurisdiction to order an entry in the register to be struck out [see section 57 of the Act]. Until there is such a judgment by the Federal Court striking from the register registration TMA508,909, it is presumed valid and enforceable.
- [20] Consequently I conclude that the Opponent has met its initial burden of proof.
- [21] The test to determine if there is a likelihood of confusion between two trade-marks is outlined in section 6(2) of the Act. Some of the surrounding circumstances to be taken into consideration are described in section 6(5) of the Act: the inherent distinctiveness of the trade-

marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or any ideas suggested by them. Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [See *Clorox Co v Sears Canada Inc* (1992), 41 CPR (3d) 483 (FCTD) and *Gainers Inc v Marchildon* (1996), 66 CPR (3d) 308 (FCTD)]. I also refer to the judgments of the Supreme Court of Canada in *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 and *Mattel Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 where Mr. Justice Binnie commented on the assessment of the criteria enumerated under section 6(5) of the Act.

Inherent distinctiveness of the trade-marks and the extent to which they have become known

- [22] The Mark is a French adjective that translates to "celestial". It has no relationship with the quality or character of the Wares. The French word "levure" in the Opponent's trade-mark LA CELESTE LEVURE translates to "yeast" which is used in the production of wine [see pages 22-23 of the transcript of the cross-examination of Mr. Goyer]. However the Opponent's trademark as a whole does not describe or suggest the nature of the Opponent's services. Consequently the parties' trade-marks do possess a certain degree of distinctiveness.
- [23] The distinctiveness of a trade-mark can be enhanced through its use or promotion. Both parties have provided evidence of use of their respective trade-marks in Canada. I shall now summarize that portion of the evidence.
- [24] Mr. Goyer has been the Opponent's President since its incorporation, namely December 23, 1998. Prior to that date, he was carrying on business under the trade-name LA CÉLESTE LEVURE as a wine broker and wine representative starting in February 1996.
- [25] Mr. Goyer filed an application to register the trade-mark LA CELESTE LEVURE on February 13, 1996 in association with the Opponent's services. On October 7, 1996 he adopted the business name LA CÉLESTE LEVURE. Therefore in 1996 and up to December 23, 1998 (the Opponent's date of incorporation) he personally used the trade-mark and business name LA CÉLESTE LEVURE in association with the Opponent's services. He alleges that during the

same period he also used the following trade-marks: CÉLESTE, LE CÉLESTE, CÉLESTE, CÉLESTEMENT VÔTRE and CLESTIALLY YOURS in association with the Opponent's services and he filed samples of correspondence where reference is made to such terms. For the purpose of this ground of opposition I shall only consider the use of the Opponent's registered trade-mark LA CELESTE LEVURE.

- [26] Mr. Goyer alleges that on December 23, 1998 he assigned to the Opponent all of his rights in the trade-mark and trade-name LA CELESTE LEVURE as well as other trade-marks and trade-names and he filed the confirmatory assignment effective November 2, 2000 and executed on February 21, 2001. The Opponent informed the Registrar on April 2, 2002 that a clerical error was made and that the effective date of the assignment should have read "December 23, 1998" the date of the Opponent's incorporation as opposed to November 2, 2000, the date of the Opponent's change of name from 9072-1705 Quebec Inc. to the Opponent's actual corporate name [see annex 9 to reply to undertakings to Mr. Goyer's cross-examination].
- [27] Mr. Goyer explains that as a broker and wine representative, the Opponent acts as middle-men between the wine producers and the Société des Alcools du Québec (SAQ) in order to import and promote in the Province of Quebec wines chosen by the Opponent. Those wines are then sold by the SAQ or directly by the Opponent to restaurant owners and individuals as private importation. Consequently there exists a strong tie between the Opponent and the wine producers, the SAQ and finally its clients (individuals, restaurant owners or businesses) who are in fact private importers.
- [28] To illustrate the use of the Opponent's trade-mark LA CELESTE LEVURE in association with the Opponent's services Mr. Goyer filed:

Samples of business cards bearing the trade-mark LA CÉLESTE LEVURE used since 1996 by the Opponent and its predecessor in title, namely Mr. Goyer personally (exhibit P-5);

Samples of invoices bearing the trade-mark or trade-name LA CELESTE LEVURE or LA CÉLESTE LEVURE going back to 1997 for services rendered to individuals, restaurant owners or businessmen in Quebec; and going back to November 1996 for services rendered to wine producers [see exhibits P-7 to P-10 to Mr. Goyer's affidavit];

Samples of letters exchanged between the Opponent (or its predecessor in title) and individuals, restaurant owners and wine producers;

Invoices from wine producers to show that wines have been imported for resale in Quebec by the Opponent or its predecessor in title [see exhibit P-11 to Mr. Goyer's affidavit];

Samples of labels fixed on bottles of wine that identify the Opponent as the distributor of those wines in Quebec [see exhibit P-12 to Mr. Goyer's affidavit];

Copies of listing of products offered by the Opponent since 2001[see exhibit P-13 to Mr. Goyer's affidavit];

Copies of lists of wines offered as wine tasting at the Salon des Vins held in 2002, 2004 and 2006 [see exhibit P-14 to Mr. Goyer's affidavit];

Copies of articles published in newspapers since 2001 discussing wines distributed by the Opponent wherein reference is made to the Opponent [see exhibit P-16 to his affidavit];

Copy of an article published on February 10, 2002 in the *Montreal Gazette* where the Opponent is described as one of the most prestigious specialty wine importers in Quebec [see exhibit P-17 to Mr. Goyer's affidavit].

- [29] Mr. Goyer provides the gross revenues of the Opponent or its predecessor in title generated by the Opponent's services rendered on an annual basis from 1996 to 2006 and the total sales at retail by the SAQ subsequent to the importation of wines by the Opponent.
- [30] From this evidence I conclude that the Opponent's trade-mark LA CELESTE LEVURE is known to some extent mainly in the Province of Quebec.
- [31] Mr. de Javier has been the Applicant's Sole Administrator since June 1, 2004. He is also a director of Miguel Torres, S.A. (Torres SA), 99.9% owned by the Applicant. Torres SA is a wine-grower; a wine and brandy producer; and an exporter selling wine throughout the world including in several provinces of Canada, through Canadian distributors. He alleges that the Applicant is located in Ribera del Duero, Spain where wines identified under the Mark are produced and bottled prior to shipment in Canada. Wine produced by the Applicant and sold under the Mark in Canada are commercialized and sold through Torres SA.
- [32] Mr. de Javier alleges that the Applicant dictates and controls the character and quality of the wine sold by Torres SA in association with the Mark.
- [33] Mr. de Javier alleges that the Wares were first sold in Canada on November 26, 2005. He provides the yearly sales figures of Wares bearing the Mark in Canada in terms of number of

bottles and dollars. He filed representative samples of invoices from 2005 to 2009 pertaining to the sale and shipment of Wares bearing the Mark in Canada. Those invoices were issued by Torres SA to the Applicant's distributors in Canada. Most of them were issued to the SAQ.

- [34] Mr. de Javier provides the annual Canadian advertising/promotional budgets for products bearing the Mark for the period between 2005 and 2008 inclusive. They pertain to advertisements in magazines, newspapers and brochures distributed throughout Canada. He filed colour photographs of bottles of wine bearing the Mark as well as a sample of a label.
- [35] Mr. de Javier filed copies of articles wherein wine bearing the Mark is referenced or featured. I do not have any information on the circulation figures of those magazines except that I can take judicial notice that the *Vancouver Sun* and the *Calgary Herald* do have some circulation in the Vancouver and Calgary area respectively.
- [36] Consequently the Applicant's Mark is known to some extent in Canada.

The length of time the trade-marks or trade-names have been in use

- [37] From the evidence described under the previous heading, the Opponent's trade-mark LA CELESTE LEVURE has been used by its predecessor in title namely Mr. Goyer since February 1996, and since at least December 1998 by itself. The Applicant has been using the Mark since 2005.
- [38] The Applicant argues that use of the Opponent's trade-mark LA CELESTE LEVURE, if any, has not been distinctive of the Opponent as there was concurrent use of that trade-mark by different entities. One must make a distinction between an individual, a trade name, a company, and a corporate name. It appears clearly from the affidavit of Mr. Goyer together with statements made during his cross-examination and the reply to undertakings that the following chain of events took place:

Prior to December 23, 1998 Mr. Goyer was carrying on business personally under various trade-names including L'Académie des Fins, La Divine Levure and La Celeste Levure;

Mr. Goyer was using La Divine Levure as a trade-name up until at least December 25, 1995, when he discovered that such trade-name might be too close to another one;

Mr. Goyer filed on February 13, 1996 an application to register the trade-mark LA CELESTE LEVURE based on intent to use;

Shortly thereafter in a letter dated February 23, 1996 Mr. Goyer informed a client that his company was carrying on business under the name La Céleste Levure. (The use of the word "company" might be inappropriate as there is no evidence in the record of the existence of a company controlled by Mr. Goyer and operating under that corporate name at that time);

Mr. Goyer is quite clear in his testimony that up until the incorporation of 9072-1705 Quebec Inc. on December 23, 1998 any use of the trade-name and trade-mark LA CELESTE LEVURE in association with the Opponent's services was done by him personally;

Any use of the trade-mark LA CELESTE LEVURE subsequent to the incorporation of 9072-1705 Quebec Inc. was done by such legal entity and not by Mr. Goyer personally;

On November 2, 2000, 9072-1705 Quebec Inc. changed its corporate name to La Céleste Levure Inc.

- [39] I do not consider those facts to constitute evidence that there has been concurrent use of the trade-mark LA CELESTE LEVURE by more than one legal entity. Mr. Goyer personally was using the trade-mark LA CELESTE LEVURE in association with the Opponent's services up until December 23, 1998; and the Opponent has been making use of the trade-mark subsequently thereafter.
- [40] I wish to address at this stage the Applicant's argument that there would be no use of the Opponent's trade-mark LA CELESTE LEVURE in Canada within the meaning of section 4 of the Act. According to the Applicant, it does not appear from the evidence in the record that there has been any payment in respect of the Opponent's services or that the individuals (private importers) restaurant owners and the SAQ derived any sort of benefit from those services. The Applicant submits that the Opponent's services are simply for the promotion of the sale of wines for which it was acting as a broker and as such there has been no use of its trade-mark within the meaning of section 4 of the Act.
- [41] The Opponent's services allow wine producers from Australia, France, Germany and the United States of America to sell their wines in the various SAQ stores. As for individual private importers and restaurant owners, the Opponent's services permit them to get access and buy wines that would not otherwise be available in the SAQ stores. As a broker, the Opponent meets

with wine producers located potentially all over the world, and then with potential buyers such as the SAQ, restaurant owners and individuals, most of them located in the Province of Quebec. The brokerage services also include the review of the wine labels, their translation if necessary and ensuring that the labels meet the SAQ standards. The Opponent is also present at trade shows to promote wines it imported and represented.

- [42] I fail to see how such services benefit only the Opponent and/or would not be rendered in Canada. As for payment of the Opponent's services Mr. Goyer filed copies of invoices issued to various wine producers as exhibit P-8. On such invoices it is clearly indicated that the method of remuneration for those services is calculated on the basis of a commission on the total sales made by a particular wine producer to the SAQ.
- [43] This factor favours the Opponent.

The nature of the wares, services, or business; the nature of the trade

- [44] The Applicant argues that the Wares are totally different than the Opponent's services. The Applicant points out that the Opponent's registration does not cover wines. However it does include the retail sale of wines.
- [45] The Opponent claims that, by being an intermediary between wine producers and the SAQ's buyers, restaurant owners and private importers, there is a close connection between wines sold in association with the Mark and the Opponent's services offered in association with the trade-mark LA CELESTE LEVURE.
- [46] During Mr. Goyer's cross-examination it has been established that:

The Opponent never had a reputation of offering for sale wines that it manufactured (page 126);

The SAQ's representatives working at the purchase department are sophisticated in the field of wine (page 129);

Restaurant owners and individuals who buy wines as private importers are sophisticated people (page 130);

Wines distributed by the Opponent at the SAQ will be placed on different shelves identified by region and not by distributors (page 38);

Some distributors will make deals with restaurant owners whereby only wines distributed by them will be on the wine card. Otherwise the wines are identified by region and not by distributor (page 40).

- [47] From these facts the Applicant is trying to minimize the likelihood of confusion between the Applicant's Wares and the Opponent's services. The Applicant argues that SAQ's buyers and restaurant owners are sophisticated customers such that they would know the difference between a wine producer and a wine broker. Consequently there would be no reasonable likelihood of confusion. On the other hand Mr. Goyer did state during his cross-examination that there are wineries that not only produce wines but also act as agents (page 88).
- [48] The ultimate consumer is the person who will visit a SAQ store and will buy a bottle of wine bearing the Mark. Would that consumer, who has a vague recollection of the Opponent's trade-mark that appears on labels of bottles of wine it distributed, seeing a bottle of wine bearing the Mark, think that such wine originates from the Opponent?
- [49] Mr. de Javier does mention in his affidavit that in order to sell the Wares in Canada in association with the Mark, the Applicant must do so through the services of various agents in Canada.
- [50] I understand that there are different stages before a wine produced abroad is made available to Canadian consumers. However the Opponent's services are closely linked to wines being offered for sale in SAQ stores across the Province of Quebec and the like in other provinces (such as the LCBO in Ontario). The Opponent's services are part of the sequence of events that leads to wines being offered for sale and on display in various SAQ stores and the like.
- [51] In any event section 6(2) of the Act clearly states that the 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.

[52] Despite the fact that a distinction can be made between the Wares by themselves and the Opponent's services, there exists a close connection between them. Consequently I conclude that these factors favour the Opponent.

# The degree of resemblance

- [53] In its judgment in *Masterpiece Inc v Alavida Lifestyles Inc et al* 2011 SCC 27, the Supreme Court of Canada has clearly indicated that the most important factor amongst those listed under section 6(5) of the Act is often the degree of resemblance between the marks. As stated by Mr. Justice Denault of the Federal Court in *Pernod Ricard v Molson Breweries* (1992), 44 CPR (3d) 359, the first portion of a trade-mark is the most relevant for purposes of distinction.
- [54] I understand that for a French speaking person the ideas suggested by the marks in issue are different: the Mark is a laudatory term that implies the celestial nature of the wine sold in association with the Mark while the Opponent's trade-mark means "The Celestial Yeast".
- [55] However for an English speaking person who has no knowledge of the French language the first meaningful component of a trade-mark is most relevant. In this case the word "celeste", which is the Mark, is the first distinctive component of the Opponent's trade-mark. I think that it is fair to say that for an English speaking person it is easier to remember the word "celeste" as it is close to the English word "celestial". Moreover the marks in issue do resemble one another in appearance and phonetically as the word "celeste" is a common feature.

#### Other surrounding circumstances

[56] In his affidavit Mr. de Javier alleges that he has not been made aware of any instances of confusion despite the coexistence of those marks since 2005. At the hearing the Opponent argued that the absence of evidence on the extent of the Applicant's use of the Mark in the Province of Quebec where the Opponent's services are mainly rendered prevent a fair assessment of that fact. The Opponent is not taking into consideration the invoices filed by Mr. de Javier representing sales made in Quebec to the SAQ of Wares bearing the Mark. From 2005 to 2009 inclusive the invoices filed total sales close to \$300,000 and represent approximately the sale of 35,000 bottles

of wine bearing the Mark. On the other hand the SAQ has sold over 32 million dollars of wines imported as a consequence of the Opponent's services in 2005 and 2006 while during the same period the Applicant has sold to the SAQ less than \$45,000 of wine bearing the Mark. The relatively low volume of sales of wine bearing the Mark in the Province of Quebec can explain the absence of evidence of actual confusion in the marketplace.

#### Conclusion

- [57] From this analysis of the relevant criteria, I conclude that the Applicant has failed to demonstrate, on a balance of probabilities, that the Mark would not likely cause confusion with the Opponent's trade-mark LA CELESTE LEVURE when used in association with the Wares. There is a connection between the Wares and the Opponent's services. There is a fair degree of resemblance between the marks in issue.
- [58] The second ground of opposition is therefore maintained.

#### Entitlement under Section 16(1) of the Act

- [59] I will limit my analysis of this ground of opposition to the Opponent's trade-mark LA CELESTE LEVURE. I do not consider that the Opponent has established use of the trade-marks CELESTE, LE CELESTE, CELESTEMENT VÔTRE and CELESTIALLY YOURS. With respect to the trade-marks CELESTEMENT VÔTRE and CELESTIALLY YOURS, they were expressions used by Mr. Goyer at the end of letters he signed. They replaced the more familiar expressions "Cordialement vôtre" or "Truly yours". There is no evidence that those expressions were used as trade-marks as defined in section 4 of the Act. With respect to CELESTE or LE CELESTE, Mr. Goyer testified during his cross-examination that he was known under these names. This is hearsay evidence. There is no evidence in the record establishing use of CELESTE or LE CELESTE as trade-marks within the meaning of section 4 of the Act in association with the Opponent's services.
- [60] The Opponent has the initial burden to prove that it has used or made known its trademark LA CELESTE LEVURE in Canada prior to the claimed date of first use alleged in the Applicant's application, namely November 25, 2005 and that it has not abandoned such use at

the advertising date of the application [see sections 16(1) and (5) of the Act]. From the Opponent's evidence described under the previous ground of opposition, I conclude that the Opponent has met its initial burden in so far as the trade-mark LA CELESTE LEVURE is concerned.

- [61] Therefore I have to determine if at the relevant date (the alleged date of first use of the Mark) the Mark was likely to cause confusion with the Opponent's trade-mark LA CELESTE LEVURE. The difference in the relevant dates associated with the registrability of the Mark under section 12(1)(d) and the entitlement to its registration under section 16(1) would not result in a different outcome. The analysis of the relevant criteria at an earlier date would generate at least the same results or even better for the Opponent as any use by the Applicant of the Mark subsequent to November 25, 2005 must be disregarded. The argument based on absence of instances of confusion would also be disregarded as the nonexistence of use of the Mark prior to the relevant date explains the lack of instances of confusion. Moreover on the issue of the extent to which the trade-marks were known at that date, this analysis favours the Opponent as it and its predecessor in title have been using the trade-mark LA CELESTE LEVURE since at least February 1996.
- [62] Consequently the third ground of opposition is maintained for reasons similar to those outlined under the registrability ground of opposition.

# Other Grounds of Opposition

[63] The Opponent having been successful under two separate grounds of opposition, it is not necessary for me to assess the remaining grounds of opposition.

# **Disposition**

[64] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse application No. 1,291,316 pursuant to section 38(8) of the Act.

Jean Carrière
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office