

IN THE MATTER OF AN OPPOSITION by ANHEUSER-BUSCH, INCORPORATED and BUSCH PROPERTIES, INC. to application No. 794,890 for the trade-mark THE KING'S MILL CLUB filed by RACQUET SPORTS LIMITED, and presently standing in the name of BTF Canada Corporation

On October 13, 1995, the applicant, RACQUET SPORTS LIMITED, filed an application to register the trade-mark THE KING'S MILL CLUB based on proposed use of the trade-mark in Canada by the applicant itself and/or through its licensee(s) in association with the following specific services:

“Management and/or operation of clubs for racquet sports and/or fitness training and/or weight training and/or aerobics; conducting physical fitness, racquet sport and net sport competitions; providing consulting services in relationship to physical fitness; physical testing; the operation of athletic facilities; namely gymnasium, weight room, aerobics studios and exercise rooms; training aerobic and other physical fitness instructors; planning, developing and implementing and monitoring exercise programs for individuals and groups; conducting exercise, fitness and aerobics classes, conducting racquet sport and net sport classes, operation of bars, lounges; operation of restaurants; operation of and/or management of wellness centres and/or lifestyle centres; operation and/or management of pro shops and sporting goods, establishments, including retail sales of clothing and other equipment used for exercise, fitness and sports purposes.”

The applicant disclaimed the right to the exclusive use of the word CLUB apart from its trade-mark.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of May 22, 1996 and, on July 11, 1996, ANHEUSER-BUSCH, INCORPORATED requested and was subsequently granted an extension of time until October 22, 1996 to file a statement of opposition against the present application. On October 22, 1996, the opponents, ANHEUSER-BUSCH, INCORPORATED and BUSCH PROPERTIES, INC., filed a statement of opposition with the Opposition Board, a copy of which was forwarded to the applicant on November 29, 1996. The following are the grounds of opposition asserted by the opponents in their statement of opposition:

a) The applicant is not the person entitled to registration of the trade-mark THE KING'S MILL CLUB because, as of the filing date of the present application and at all other times, the applied for trade-mark was and is confusing with the trade-mark KINGSMILL which had been previously used in Canada or made known in Canada by the opponent Busch Properties, Inc. in association with resort hotel services, hotel and conference concierge services, golf courses, golf club services, entertainment in the nature of golf tournaments, providing golf, tennis, fishing, fitness, nutrition and exercise instruction, providing facilities for golf, swimming, fishing, and racquetball tournaments, exhibitions and conferences, rental of equipment for golf, tennis and fishing, health club services, recreational day camps for youths and arranging and conducting educational conferences, education demonstrations, providing banquet, catering and social function facilities, restaurant and bar services, retail stores in the nature of golf and tennis pro shops and retail gift and apparel shops, providing marina services, and booking and reservation services for all of the foregoing;

b) The applicant is not the person entitled to registration of the trade-mark THE KING'S MILL CLUB because, as of the filing date of the present application and at all other times, the applied for trade-mark was and is confusing with the trade-name KINGSMILL which had been previously used in Canada or made known in Canada by the opponent Busch Properties, Inc. in association with resort hotel services, hotel and conference concierge services, golf courses, golf club services, entertainment in the nature of golf tournaments, providing golf, tennis, fishing, fitness, nutrition and exercise instruction, providing facilities for golf, swimming, fishing, and racquetball tournaments, exhibitions and conferences, rental of equipment for golf, tennis and fishing, health club services, recreational day camps for youths and arranging and conducting educational conferences, education demonstrations, providing banquet, catering and social function facilities, restaurant and bar services, retail stores in the nature of golf and tennis pro shops and retail gift and apparel shops, providing marina services, and booking and reservation services for all of the foregoing;

c) The trade-mark THE KING'S MILL CLUB is not distinctive of the services of the applicant because it does not distinguish and is not adapted to distinguish the applicant's services from those of the opponent Busch Properties, Inc.;

d) The present application does not comply with Subsection 30(i) of the *Trade-marks Act* in that the applicant could not have been satisfied that it was entitled to use the trade-mark THE KING'S MILL CLUB in Canada in view of the prior use and prior making known of the trade-mark KINGSMILL by the opponent Busch Properties, Inc. in association with the services referred to above.

The applicant served and filed a counter statement in response to the statement of opposition on December 17, 1996 in which it asserted the following:

- (a) The allegations in paragraph 1 of the statement of opposition are denied and the opponents are put to the strict proof thereof;
- (b) The statement of opposition lists two opponents, contrary to the Practice Notice issued by the Registrar of Trade-marks on March 13, 1974 (*Trade-marks Journal*, Vol. 21, No. 1011, at 386);
- (c) The statement of opposition by Anheuser-Busch is frivolous in that it makes no allegations of fact which could entitle Anheuser-Busch to oppose the trade-mark application;
- (d) The opposition by Busch Properties was dated and filed after the expiration of the time for oppositions fixed by the *Trade-marks Act*; and
- (e) The statement of opposition fails to allege a material fact essential to the success of the opposition, namely, that the opponent's alleged trade-mark was not abandoned at the date of advertisement of the applicant's trade-mark.

The opponents submitted as their evidence under Rule 41(1) of the *Trade-marks Regulations* the affidavits of Terri A. Haack, Peter Eliopoulos, Richard W. Meyer, Robert W. White and Carla B. Wolfe while the applicant filed as its Rule 42(1) evidence the affidavit of Michael Levy. The opponents also submitted the affidavit of Michael Filey as evidence in reply under Rule 43 of the *Regulations* and requested and were granted leave to file the affidavit of Kerri Tomaino and a second affidavit of Peter Eliopoulos as further evidence pursuant to Rule 44(1) of the *Trade-marks Regulations*. Both parties submitted a written argument and neither party requested an oral hearing.

Also, during the opposition, BTF Canada Corporation, the current applicant of record, was entered as the owner of the present trade-mark application

In addition to the assertions made in its counter statement, the applicant submitted the following in its written argument concerning the standing of Busch Properties, Inc. in the present proceeding:

“Busch Properties, Inc. was permitted to file a statement of opposition after the expiration of the deadline for filing, without having requested an extension of time. The Opposition Board failed to comply with section 47(2) of the Act which prohibits the Registrar from granting retroactive extensions of time unless it is satisfied that the failure to act in time was “not reasonably avoidable” and a fee is paid. It could not have been so satisfied as no application was made and no fee was paid, so that there were no facts before it on which to exercise its discretion to extend the deadline.

The Trade Marks Office practice notice published June 19, 1996 entitled “Procedure before the Trade-marks Opposition board [sic]” states in part:

“Joint Opponents

- ii) Where an extension of time to oppose is granted in the name of one person, a subsequently filed statement of opposition may name that person jointly as opponent along with any number of other persons.”

Nothing in the Trade-marks Act or any other legislation authorizes the Registrar or the Opposition Board as its delegate to disregard the prohibition in section 47(2) of the Act by the adoption of a contrary practice. Accordingly, this practice notice may not be applied after the expiration of the due date in the absence of a grant of an extension of time to each joint opponent in accordance with section 47 of the Act.

Busch Properties, Inc. accordingly has no standing to oppose the application.

Pursuant to subsection 17(1) of the Act, opponents may only rely upon their own prior use of trade marks and names to oppose an application. Anheuser-Busch’s opposition is based entirely on alleged prior use and making known by Busch Properties, Inc. Accordingly, Anheuser-Busch has no arguable ground of opposition available to it.

The opposition ought to have been rejected at the outset as being frivolous, pursuant to subsection 38(4) of the Act.”

The applicant’s counter statement and the portion of its written argument set out above raise in issue the Registrar’s authority to permit the filing of a statement of opposition identifying two, or more, joint opponents, as well as the Registrar’s authority to permit the filing of a multiple-party opposition even though an extension of time to oppose the application has been granted to only one of the joint opponents. While there are no provisions in either the *Trade-marks Act* or the *Trade-marks Regulations* relating to joint oppositions, the Registrar has permitted such oppositions in recent years where to do so can be justified by implication from the provisions of the *Trade-marks Act* and where the statement of opposition complies with paragraph 38(3)(a) of the *Act*. Thus, the

Registrar has permitted multiple party oppositions where two, or more, parties qualify as a “person” as defined in section 2 of the *Act* or where the parties are “related companies” within the meaning of section 2 of the *Act*. Further, the Registrar has allowed the filing of joint oppositions where the parties are the owner and licensee of a trade-mark being relied on in the statement of opposition.

As noted above, in determining whether to accept a multiple party opposition, the Registrar must be satisfied that the statement of opposition complies with paragraph 38(3)(a) of the *Act*. In the present case, the grounds of opposition set out above are in compliance with paragraph 38(3)(a) of the *Trade-marks Act*. However, all four grounds are based on use or making known of the trade-mark or trade-name KINGSMILL in Canada by the opponent, BUSCH PROPERTIES, INC., there being no reference to ANHEUSER-BUSCH, INCORPORATED in any of the grounds of opposition. It would appear, therefore, that there was no need for ANHEUSER-BUSCH, INCORPORATED to be identified as a joint opponent other than the fact that ANHEUSER-BUSCH, INCORPORATED was the entity identified as the proposed opponent in the initial request for an extension of time to oppose. Nevertheless, the grounds of opposition comply with paragraph 38(3)(a) of the *Act* and the applicant has not been prejudiced by ANHEUSER-BUSCH, INCORPORATED being identified as a joint opponent in this proceeding.

The applicant has also questioned the Registrar’s authority to permit the addition of BUSCH PROPERTIES, INC. as a joint opponent subsequent to the expiry of the two-month opposition period without it having requested and obtained an extension of time to oppose the present application. In this regard, the Registrar does not require a prospective opponent to identify the potential grounds of opposition or to name any or all joint opponents in its initial request for an extension of time to oppose. Rather, the granting of an extension of time to oppose under section 47 of the *Act* is to permit the prospective opponent to determine whether it should formally oppose the registration of a trade-mark and, if so, to prepare its statement of opposition and to assess whether there are any joint opponents who should be identified in the statement of opposition. As a result, BUSCH PROPERTIES, INC. need not have requested an extension of time to oppose in order to be identified as a joint opponent in the present opposition. In any event, and even if I am incorrect and BUSCH PROPERTIES, INC. does not have standing in this proceeding, I am satisfied

that the opponent, ANHEUSER-BUSCH INCORPORATED, can properly rely of the activities of BUSCH PROPERTIES, INC. in challenging the alleged non-distinctiveness of the applicant's mark. I have therefore dismissed the applicant's submission that the present opposition ought to have been rejected at the outset as being frivolous under subsection 38(4) of the *Trade-marks Act*.

Considering initially the final ground of opposition, there is a legal burden on the applicant to show that its application complies with subsection 30(i) of the *Trade-marks Act*. However, there is an initial evidential burden on the opponents to adduce sufficient admissible evidence which, if believed, would support the truth of the allegations relating to the subsection 30(i) ground [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330]. In the present case, no evidence has been furnished by the opponents to show that the applicant could not have been satisfied that it was entitled to use the trade-mark THE KING'S MILL CLUB in Canada on the basis *inter alia* that its trade-mark is not confusing with the opponents' trade-mark or trade-name. Moreover, to the extent that the subsection 30(i) ground is founded upon allegations set forth in the remaining grounds, the success of the subsection 30(i) ground is contingent upon a finding that the trade-mark THE KING'S MILL CLUB is not distinctive or that the applicant is not the person entitled to registration of the trade-mark THE KING'S MILL CLUB, as alleged in those grounds [see *Consumer Distributing Co. Ltd. v. Toy World Ltd.*, 30 C.P.R. (3d) 191, at p.195; and *Sapodilla Co. Ltd. v. Bristol-Myers Co.*, 15 C.P.R.(2d) 152, at p.155]. I will therefore consider the remaining grounds of opposition.

The first ground is based on Paragraph 16(3)(b) of the *Trade-marks Act*, the opponents alleging that the applicant is not the person entitled to registration of the trade-mark THE KING'S MILL CLUB in that the applicant's mark was confusing with the trade-mark KINGSMILL which had been previously used or made known in Canada by Busch Properties, Inc. Having regard to the provisions of Subsections 16(5) and 17(1) of the *Trade-marks Act*, there is an initial burden on the opponents to establish the alleged use or making known of the trade-mark KINGSMILL in Canada by Busch Properties, Inc. prior to the applicant's filing date [October 13, 1995], as well as to show that Busch Properties, Inc. had not abandoned the mark in Canada as of the date of advertisement of the present application [May 22, 1996].

In her affidavit, Terri A. Haack, Vice President and General Manager of KINGSMILL RESORT, states that KINGSMILL is a resort and conference centre owned and operated by Busch Properties, Inc. and is located on the James River near Williamsburg, Virginia, in the United States of America. According to Ms. Haack, KINGSMILL RESORT has been operating since the mid-1970's and offers golf at three 18-hole golf courses, tennis, over 400 rooms, dining, a sports club, a resort spa, conference facilities and a marina. Further, the affiant notes that KINGSMILL RESORT has been ranked one of the "Ten Best Conference Centers in the U.S." and one of "America's Best resorts" by Golf Magazine. As well, annexed to Ms. Haack's affidavit are specimen brochures describing KINGSMILL RESORT which are given to guests and potential guests. I would note that Exhibit A-5 to the Haack affidavit confirms that the mark KINGSMILL has a surname significance associated with an English colonist named Richard Kingsmill who settled near Williamsburg in 1736.

Ms. Haack states that records indicate that 400 people from Canada have registered at KINGSMILL RESORT between 1992 and 1996 and that in 1996, two groups from Canada booked the conference facilities at KINGSMILL. Further, the affiant states that KINGSMILL RESORT has an Internet website which includes information relating to the various services available at KINGSMILL, as well as a toll-free 1-800 number accessible from Canada, there being in excess of 650 and 475 such calls received from area codes within Canada in 1995 and 1994 respectively. Ms. Haack also states that since 1981, Anheuser-Busch Companies has sponsored an annual Professional Golf Association event played at KINGSMILL RESORT called the ANHEUSER-BUSCH GOLF CLASSIC, renamed the MICHELOB CHAMPIONSHIP AT KINGSMILL in 1996. According to the affiant, the event was televised on the ESPN television network from 1992 to 1996 and will be televised on both ESPN and CBS in 1997.

Having regard to the Haack affidavit, it is apparent that the services outlined by Ms. Haack are all provided at the KINGSMILL RESORT located in the United States. Thus, the opponents have not shown that BUSCH PROPERTIES, INC. has used the trade-mark KINGSMILL in Canada in association with any of the services identified in the first ground of opposition since none of those services are performed in Canada with the mark KINGSMILL being used or displayed in the

performance or advertising of such services [see *Porter v. Don the Beachcomber*, 48 C.P.R. 280, at pp. 285-286]. Moreover, enquiries or calls from Canadians using the 1-800 number for KINGSMILL RESORT does not constitute use of the trade-mark KINGSMILL in Canada [see *Motel 6, Inc. v. No. 6 Motel Ltd.*, 56 C.P.R. (2d) 44, at p. 57 (F.C.T.D.)]. As a result, the opponents have failed to meet the initial burden on them under subsections 16(5) and 17(1) of the *Trade-marks Act* and this aspect of the first ground is therefore unsuccessful. Furthermore, the opponents' evidence falls far short of establishing that the trade-mark KINGSMILL had become well known in Canada as of October 13, 1995 in association with any of its services, as contemplated by Section 5 of the *Trade-marks Act*. As a result, the second aspect of the first ground which is based on the alleged prior making known of the trade-mark KINGSMILL in Canada is also unsuccessful.

As for the opponents' second ground, paragraph 16(3)(c) of the *Trade-marks Act* does not contemplate the prior making known of a trade-name in Canada as being a basis for challenging an applicant's entitlement to registration. I have therefore dismissed this aspect of the second ground. With respect to the second aspect of the second ground, there is, as in the case of the first ground, an initial burden on the opponents to establish use of the trade-name KINGSMILL in Canada by Busch Properties, Inc. prior to the applicant's filing date, as well as to show that Busch Properties had not abandoned the trade-name in Canada as of the date of advertisement of the present application. However, having concluded that the operation by BUSCH PROPERTIES, INC. of its KINGSMILL RESORT in the United States does not constitute use of its trade-mark KINGSMILL in Canada in association with its services, I find that the operation of KINGSMILL RESORT in Virginia does not constitute use of the trade-name KINGSMILL in this country in association with the services identified in the second ground of opposition. I have therefore rejected this aspect of the second ground.

The third ground relates to the alleged non-distinctiveness of the applicant's trade-mark. While the legal burden is on the applicant to show that its trade-mark THE KING'S MILL CLUB is adapted to distinguish or actually distinguishes its services from those of others throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.*, 4 C.P.R.(3d) 272 (T.M.O.B.)], there is an initial evidential burden on the opponents to establish the facts being relied upon by them

in support of this ground. However, it is not necessary for the opponents to show that the trade-mark KINGSMILL is well known in Canada or has been made known solely by the restricted means set forth in Section 5 of the *Act* in order to meet the opponents' evidential burden in relation to the non-distinctiveness ground [see *Motel 6, Inc. v. No. 6 Motel Ltd.*, supra, at p. 55].

Further, the material time for considering the circumstances respecting the non-distinctiveness ground is the date of opposition [see *Re Andres Wines Ltd. and E. & J. Gallo Winery*, 25 C.P.R.(2d) 126, at p. 130 (F.C.A.); *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.*, 37 C.P.R.(3d) 412, at p. 424 (F.C.A.); and *Merrill Lynch & Co. v. Bank of Montreal*, 66 C.P.R. (3d) 150, at p. 164 (F.C.T.D.)]. As a result, the creation of the KINGSMILL website and the copies of the articles comprising Exhibits I-1, I-3 and I-4 to the Haack affidavit which are dated subsequent to the material date are of no relevance to the non-distinctiveness ground. Also, there is no evidence that Exhibit I-2 to the Haack affidavit has been circulated in Canada and it too is of no relevance to the non-distinctiveness issue.

Carla B. Wolfe, Media Director of Ad-Ventures Advertising, states that Ad-Ventures Advertising is responsible for the development and placement of advertising for KINGSMILL RESORT and, as Media Director, oversees the national and local placements of magazine, trade publication and newspaper advertisements for KINGSMILL. Exhibit A to Ms. Wolfe's affidavit is a list summarizing KINGSMILL advertisements which appeared in more than forty publications including *National Geographic Traveler*, *Travel & Leisure*, *Tennis Magazine*, *Golf Digest*, *Golf World*, the *Toronto Star*, and *The CAA/AAA Canadian Tour Book* between 1994 and 1996, the list indicating that the Canadian circulation of these publications exceeded 700,000. Further, the first Eliopoulos affidavit introduces into evidence photocopies of ten articles that mention KINGSMILL RESORT appearing in *GOLF Magazine*, *Money* and *Sports Illustrated* between January of 1984 and February of 1995, as well as a photocopy of a page from the July 9, 1994 Saturday issue of *The Toronto Sun* which mentions the ANHEUSER-BUSCH GOLF CLASSIC. The affidavit of Robert W. White, Vice President, Canada of the Audit Bureau of Circulations, provides evidence relating to the Canadian circulation figures for most of the periodical publications identified in the Wolfe and Eliopoulos affidavits.

Richard W. Meyer, General Manager at Busch Media Group, Inc., states that the ANHEUSER-BUSCH GOLF CLASSIC has been broadcast on ESPN since 1992 and on The Sports Network (“TSN”) television network in Canada since at least as early as 1995. According to Mr. Meyer, TSN is available to in excess of 6 million households in Canada via satellite or cable broadcast and approximately 350,000 Canadian television households receive ESPN directly via satellite. Richard Meyer has annexed to his affidavit a copy of a video showing one day of the ESPN broadcast of the 1996 MICHELOB CHAMPIONSHIP AT KINGSMILL during which the mark KINGSMILL is referred to orally, as well as appearing on the scoreboard displayed regularly on the screen. Kerri Tomaino, Senior Marketing Representative of Neilson Media Research Limited, has annexed to her affidavit copies of “Neilson Media’s People Meter Audiences Network Reports” for TSN for July 14 and 15, 1995 and July 12, 13 and 14, 1996 which indicate that between 30,000 and 779,000 Canadian viewers, depending on the date and time of day, were watching the 1995 PGA ANHEUSER-BUSCH GOLF CLASSIC tournament and the 1996 MICHELOB CHAMPIONSHIP AT KINGSMILL tournament on TSN. Further, the first Eliopoulos affidavit introduces into evidence a photocopy of television listings for July 14, 1995 from *Starweek TV Magazine* which includes a listing for the ANHEUSER-BUSCH GOLF CLASSIC tournament broadcast on TSN.

The opponents’ evidence establishes that the KINGSMILL mark has been brought to the attention of Canadians during the three year period prior to the date of opposition by way of advertisements and articles appearing in publications which circulated in Canada or through the televising in Canada on the ESPN and TSN television networks of the ANHEUSER-BUSCH GOLF CLASSIC. Furthermore, the Haack affidavit establish that approximately 800 Canadians have stayed at KINGSMILL RESORT from 1992 to 1996 and that the resort received about 1 125 telephone calls using its 1-800 number from areas codes within Canada during 1994 and 1995. I find therefore that the opponents have met their evidential burden in relation to the non-distinctiveness ground. As a result, the applicant must satisfy the Registrar that its trade-mark was distinctive as of the date of opposition. In his affidavit, Michael Levy, President of Racquet Sports Limited, states that the applicant opened THE KING’S MILL CLUB fitness club offering exercise and fitness facilities in March 1996 in the Etobicoke area of Toronto, the club having approximately 1600 members as of the date of his affidavit [February 13, 1998]. According to Mr. Levy, the applicant’s club was named

for King's Mill Park which is located nearby and the name was chosen by the applicant's board of directors.

The opponents have shown that the KINGSMILL mark has acquired some measure of a reputation in Canada in relation to the operation of a resort in Virginia and the holding of a PGA golf tournament on a course operated by the resort. Nevertheless, I do not consider that the average Canadian would reasonably conclude that the applicant's use or proposed use of its trade-mark THE KING'S MILL CLUB as applied to the operation of clubs for racquet sports and/or fitness training, the operation of wellness centres and/or lifestyle centres, the operation of athletic facilities and the provision of services associated with such facilities, and the operation of bars, lounges and restaurants is related to or is in some manner associated with the opponents' KINGSMILL resort and the services provided at the resort. On the other hand, there is a fair degree of similarity between the applicant's trade-mark and the opponents' KINGSMILL mark and there is some overlap in the provision of golfing related services at the KINGSMILL resort which are brought to the attention of viewers of the PGA golf tournament held at the resort and the applicant's operation of pro shops and sporting goods establishments which could include the sale of golf equipment within the scope of these services. As a result, I find that the applicant has failed to meet the legal burden on it in respect of the final ground as applied to the services identified as: "operation and/or management of pro shops and sporting goods, establishments, including retail sales of clothing and other equipment used for exercise, fitness and sports purposes".

In view of the above, and having been delegated by the Registrar of Trade-marks by virtue of Subsection 63(3) of the *Trade-marks Act*, I refuse the present application as applied to "operation and/or management of pro shops and sporting goods, establishments, including retail sales of clothing and other equipment used for exercise, fitness and sports purposes" and otherwise reject the opponents' opposition to registration of the applicant's trade-mark THE KING'S MILL CLUB as applied to :

"Management and/or operation of clubs for racquet sports and/or fitness training and/or weight training and/or aerobics; conducting physical fitness, racquet sport and net sport competitions; providing consulting services in relationship to physical fitness; physical testing; the operation of athletic facilities; namely gymnasium, weight room, aerobics studios and exercise rooms; training aerobic and other

physical fitness instructors; planning, developing and implementing and monitoring exercise programs for individuals and groups; conducting exercise, fitness and aerobics classes, conducting racquet sport and net sport classes, operation of bars, lounges; operation of restaurants; operation of and/or management of wellness centres and/or lifestyle centres.”

In this regard, I would note the decision of the Federal Court, Trial Division in *Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH*, 10 C.P.R. (3d) 492 in respect of there being authority to render a split decision in a case such as the present.

DATED AT HULL, QUEBEC THIS 25th DAY OF OCTOBER, 2000.

G.W.Partington,
Chairperson,
Trade-marks Opposition Board.