



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2019 TMOB 55

Date of Decision: 2019-07-03

IN THE MATTER OF AN OPPOSITION

Corporation Financière Phildan inc.

Opponent

and

LIDL STIFTUNG & CO. KG

Applicant

**1,704,523 for GRILL & FUN (&
DESIGN)**

Application

INTRODUCTION

[1] Corporation Financière Phildan inc. (the Opponent) opposes registration of the trademark GRILL & FUN (& DESIGN) (the Mark), reproduced below, subject of application No. 1,704,523 by LIDL STIFTUNG & CO. KG (the Applicant):



[2] Colour is claimed as a feature of the trademark: the terms GRILL & FUN are white on a red background.

[3] The application is based upon the dual basis of the Applicant's proposed use of the Mark in Canada, and its registration in the European Union and use in Germany, in association with a variety of goods including "wine, beverages containing wine, cider" (the Goods). A complete listing of the goods which are covered in the application for the Mark is provided under Schedule A to my decision.

[4] The opposition was brought under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act), as it then read (Old Act), and originally raised grounds of opposition based upon sections 2 (non-distinctiveness), 12(1)(d) (non-registrability), 16(2)(a), 16(3)(a), 16(2)(c) and 16(3)(c) (non-entitlement), 30(d) and 30(e) (non-conformity) of the Old Act. However, in its written argument, the Opponent voluntarily withdrew the grounds of opposition based upon sections 16(2)(c) and 16(3)(c) of the Old Act, as set out in paragraph 10.D of the statement of opposition. I will therefore not address those grounds of opposition in my decision.

[5] I also wish to underline that as set out at paragraph 3 of its statement of opposition, the Opponent is opposing the application only in relation to the Goods. I will therefore assess all grounds of opposition with respect to the Goods only. The central issue is whether there is a likelihood of confusion between the Mark in association with the Goods and the Opponent's trademark FUN registered under No. TMA795,637 in association with [TRANSLATION] "wine" (in French: "vin").

[6] For the reasons that follow below, the opposition succeeds.

THE RECORD

[7] The application for the Mark was filed on November 26, 2014 and claims priority under section 34 of the Act on the ground that an application for registration of the same or substantially the same trademark was filed with the European Union Intellectual Property Office on May 30, 2014 under No. 12924395.

[8] The application was advertised for opposition purposes in the *Trademarks Journal* on February 3, 2016.

[9] On June 21, 2016, the application for the Mark was initially opposed by Fun Estates Ltd. (FEL), the previous owner of the registered trademark FUN. On August 18, 2016, subsequent to the Applicant's request for an interlocutory ruling on the sufficiency of the pleadings in the statement of opposition, FEL sought leave to file an amended statement of opposition. By way of Office letter dated December 16, 2016, leave was granted to FEL to amend its statement of opposition.

[10] On August 17, 2016, the Applicant filed and served a counter statement denying the grounds of opposition set out in the statement of opposition.

[11] As discussed below, on December 6, 2016, the Registrar recorded a change in title in the registered trademark FUN, from FEL to the Opponent.

[12] On February 24, 2017, the Applicant filed a request for leave to file an amended trademark application, to add countries in which the Mark was used aside from Germany, namely: Czech Republic, Lithuania, Hungary, Poland and Slovakia. On March 7, 2017, the Registrar refused the amendment as it considered the application as amended to be contrary to section 32(d) of the *Trademarks Regulations* (SOR96-195), as it appeared prior to June 17, 2019. On March 17, 2017, the Applicant requested reconsideration of the Registrar's ruling based on its contention the amendment aimed only to add other countries in which the Mark was used. On March 30, 2017, the Registrar maintained its refusal insofar as the Applicant tried to add other countries that were not referenced in the original application as advertised.

[13] On June 15, 2017, the Opponent sought leave to file a re-amended statement of opposition to reflect the change in title of the owner of the registered trademark FUN identified under No.TMA795,637 (from FEL to the Opponent occurring on November 30, 2016). By way of Office letter dated October 4, 2017, leave was granted to the Opponent to re-amend its statement of opposition to identify the Opponent.

[14] In support of its opposition, the Opponent filed:

- The affidavit of Philippe Dandurand, who manages and oversees the affairs of Vins Philippe Dandurand inc. (VPDI) and FEL, sworn on December 14, 2016 (the Dandurand affidavit).

- The affidavit of Gaël Picout, a paralegal employed by the Opponent’s trademark agents, sworn on December 15, 2016 (the Picout affidavit).

[15] The Applicant elected not to file any evidence in support of its application.

[16] Only the Opponent filed a written argument. A hearing was requested but was ultimately cancelled by the parties.

PRELIMINARY REMARK ON THE DANDURAND AFFIDAVIT

[17] In a letter dated June 15, 2017, the Opponent’s agents indicate that the Dandurand affidavit was prepared before the assignment, in favour of the Opponent, of the registered trademark FUN identified under No. TMA795,637 and that their corporate law department had failed to inform the trademark department of the proposed transaction, so that there was a clear clerical error in the affidavit signed on December 14, 2016, which should have indicated that [TRANSLATION] “FEL was the owner of the [trademark] registration [TMA795,637] for the FUN brand until November 30, 2016...” instead of [TRANSLATION] “FEL is the owner of the [trademark] registration [TMA795,637]...” The Opponent’s agents explain that this clerical error was not raised by the affiant himself when signing the affidavit, not having the exact date of the change in title in mind. The Opponent’s agents submit that this error remains of a clerical nature and does not affect the substance of the affiant’s statements, which remain verifiable and relevant. The Opponent’s agents further submit that this clerical error, which is in no way prejudicial to the Applicant, cannot be held against the Opponent in the circumstances since it has no impact on the merits of the case.

[18] The Opponent’s oversight relates to identifying FEL as the owner of the trademark FUN registered under No. TMA795,637 as of the date of signing the Dandurand affidavit on December 14, 2016, rather than the Opponent, who became owner of said trademark on November 30, 2016. As it will become apparent, this two-week gap in change of ownership does not impact my analysis below of the various grounds of opposition. In the circumstances and considering that the Applicant has not raised an objection, I will treat the error as a technical deficiency without adverse consequences for the Opponent. Furthermore, my reference to the

Opponent hereinafter in my decision shall collectively encompass Corporation Financière Phildan inc. and FEL.

OVERVIEW OF THE EVIDENCE

The Dandurand affidavit

[19] In the introductory paragraphs of his affidavit, Mr. Dandurand asserts, among other things, that VPDI is the exclusive distributor in Canada of the wines sold under the trademark FUN [paras 1-5]. Mr. Dandurand further asserts that he [TRANSLATION] “personally manages and oversees” the activities of FEL and VPDI [paras 8-9].

[20] Mr. Dandurand attaches as Exhibit PD-1 to his affidavit an excerpt from the Canadian Trademarks Database concerning the registration for the trademark FUN in association with wine (“vin”) registered on April 14, 2011 [para 6].

[21] Mr. Dandurand asserts that the wines sold under the trademark FUN are a range of French red and white wines produced and bottled by “maison Georges Duboeuf”. He attaches as Exhibit PD-2 to his affidavit spec sheets for the FUN wines as illustrated on VPDI’s website. I note that these spec sheets show a copyright notice dated 2016 [para 10].

[22] Mr. Dandurand further asserts that he [TRANSLATION] “personally controls for FEL the quality of the wines chosen and the labels of the FUN wines” [para 11].

[23] Mr. Dandurand explains that the spec sheets at Exhibit PD-2 to his affidavit illustrate the usual manner in which the trademark FUN appears on the wine labels and he reproduces the following images in his affidavit [paras 10-11]:



[24] I shall note at this point of my decision that I am satisfied that the use of the trademark FUN in stylized form as reproduced above amounts to use of the word mark FUN as registered [*Registrar of Trademarks v Compagnie Internationale pour l'informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA); and *Nightingale Interloc v Prodesign* (1984), 2 CPR (3d) 535 (TMOB)].

[25] Mr. Dandurand asserts that the FUN wines [TRANSLATION] “are sold and/or were sold” in Canada at the Société des alcools du Québec (SAQ), the Liquor Control Board of Ontario (LCBO), the British Columbia Liquor Distribution Branch (BCLDB), the Newfoundland Labrador Liquor Corporation (NLLC), the New Brunswick Liquor Corporation (ANBL), and the Saskatchewan Liquor and Gaming Authority (SLGA) [para 14]. In support, he attaches as Exhibits PD-3 to PD-6 respectively, printouts dated September 14, 2016 showing FUN wines offered for sale on the websites of the SAQ, the BCLDB, the NLLC and the ANBL.

[26] Mr. Dandurand further asserts that for confidentiality reasons, he prefers not to divulge the extent of FUN wine sales in Canada. Instead, he asserts [TRANSLATION] “in the last year, and for the province of Quebec alone, more than 150,000 FUN white wine bottles and more than 100,000 bottles of FUN red wines have been sold”. He further asserts that the sales of FUN wines in Canada [TRANSLATION] “are growing steadily” [para 19].

[27] Lastly, Mr. Dandurand asserts that [TRANSLATION] “to the best of [his] knowledge”, the Opponent’s FUN wines are the only wines marketed in Canada in association with a trademark comprised of the word "FUN". He further asserts that the search results on the aforementioned websites of the SAQ, the BCLDB, the NLLC and the ANBL do not identify wines sold in Canada, other than those of the Opponent’s, with a trademark comprised of the word “FUN” [paras 20-21].

The Picout affidavit

[28] The Picout affidavit contains various internet searches Mr. Picout conducted on December 14, 2016, the results of which are attached as the following exhibits to his affidavit:

- Exhibit GP-1: consists of printouts from what is alleged to be the Applicant’s German website located at *www.lidl.de* relating to, according to Mr. Picout, [TRANSLATION] “a list of wines advertised in Germany” [para 4].
- Exhibit GP-2: consists of printouts from the results of a search on the Google search engine in Germany, for the German words listed below and Mr. Picout adds in parentheses what he represents to be their corresponding French translation:
 - “*rotwein fun lidl*” (“vin rouge”);
 - “*weisswein fun lidl*” (“vin blanc”);
 - “*champagner & sekt fun lidl*” (“champagne et mousseux”);
 - “*aperitif & dessertwein fun lidl*” (“apéritif et vin de dessert”);
 - “*weinpakete fun lidl*” (“caisse de vin”).

Mr. Picout explains at paragraph 5 of his affidavit having conducted another search on the same search engine for the same German words listed above, with the exception that he substituted the word “fun” by the word “grill”:

- “*rotwein grill lidl*”;
- “*weisswein grill lidl*”;
- “*champagner & sekt grill lidl*”;
- “*aperitif & dessertwein grill lidl*”; and
- “*weinpakete grill lidl*”.

I note that the French terms “vin rouge”, “vin blanc”, “champagne et mousseux”, “apéritif et vin de dessert” and “caisse de vin” translate respectively in English into red wine, white wine, champagne and sparkling wine, aperitif and dessert wine, and wine crate.

- Exhibit GP-3: consists of printouts from the results of a search on the German Google search engine that Mr. Picout conducted by using the following German phrase: “*Was sind die unter der Marke Weine GRILL & FUN LIDL verkauft?*” He asserts this refers to a search for “quels étaient les vins vendus sous la marque GRILL & FUN de Lidl” [TRANSLATION] “which wines were sold under Lidl’s trademark GRILL & FUN” [para 6].
- Exhibit GP-4: consists of printouts from the *Wayback Machine* showing, according to Mr. Picout, [TRANSLATION] “older versions of the website *www.lidl.de* for the section wine sales” [para 7].

- Exhibit GP-5: consists of printouts from the results of a search on the Google Image search engine for the following images:



THE PARTIES' RESPECTIVE BURDEN OR ONUS

[29] The Opponent has the initial evidential burden to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist. Once that burden is met, the Applicant bears the legal onus of establishing, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); and *Dion Neckwear Ltd v Christian Dior, SA et al*, 2002 FCA 29, 20 CPR (4th) 155 (FCA)].

ANALYSIS OF THE GROUNDS OF OPPOSITION

Grounds of opposition relating to the issue of non-compliance of the application with section 30 of the Old Act

Non-compliance with section 30(d) of the Old Act

[30] The Opponent has pleaded that the application does not conform to the requirements of section 30(d) of the Old Act because at the filing date of the application, the Applicant had not used the Mark in Germany (or elsewhere) in association with the Goods.

[31] The material date for this ground of opposition is the filing date of the application (November 26, 2014) [*Cook Incorporated v Applied Medical Resources Corporation*, 2011 TMOB 151 (CanLII); and *Aldea Solutions Inc v AT&T Intellectual Property II, LP*, 2014 TMOB 243 (CanLII)].

[32] As pointed out in *Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB), an opponent's initial burden with respect to section 30(b) is a lighter one, given that the relevant information regarding use is more readily available to the applicant. While these comments related to a ground of opposition based on section 30(b) of the Old Act, they are equally applicable to a ground of opposition based on section 30(d) [*105272 Canada Inc v Grands Moulins de Paris, Société Anonyme* (1990), 31 CPR (3d) 79 (TMOB)]. Thus, to the extent that an applicant has easier access to the facts, the burden of proof on the opponent in relation to a ground of opposition based on the failure to respect section 30(d) is less onerous.

[33] If an opponent succeeds in discharging its initial evidential burden, then the applicant must, in response, substantiate its use claim. However, the applicant is under no obligation to do so if the date of first use is not first put into issue by an opponent meeting its evidential burden [*Kingsley v Ironclad Games Corp*, 2016 TMOB 19 (CanLII)].

[34] In order to substantiate its position under this ground of opposition, the Opponent relies on the Picout affidavit and the Applicant's attempts to add countries in which the Mark was used aside from Germany in the course of the opposition proceeding as described above in my review of the record.

[35] I shall note that contrary to the Opponent's position, I am not prepared to treat these attempts as an admission that the Applicant had not used the Mark in Germany as of the material date. It is not because the Applicant wanted to include five other countries in which the Mark was used, in addition to Germany, that this should necessarily be interpreted as an admission that the Mark had only been used in these other countries.

[36] This brings me to consider the Picout affidavit.

[37] First, I note that with the exception of the archived webpages filed as Exhibit GP-4 to the Picout affidavit, all of the webpage printouts attached as exhibits to the Picout affidavit are dated December 14, 2016 and therefore post-date, by almost two years, the material date for assessing this ground of opposition.

[38] Furthermore, as concerns Exhibit GP-1, I note that the only search parameters provided by Mr. Picout at paragraph 4 of his affidavit were that he allegedly [TRANSLATION] "visited the

Applicant's German website to locate wines advertised in Germany" (in French: "[il a] effectué des recherches sur le site web allemand de la requérante, à l'adresse *www.lidl.de*, afin de repérer la liste des vins annoncés en Allemagne"). However, none of the exhibits attached to the Picout affidavit corroborates Mr. Picout's allegation as to the ownership of the domain name *www.lidl.de* or the entity operating the website *www.lidl.de*. [See by analogy *Quiksilver International Pty Ltd v Equinox Entertainment Limited* 2010 TMOB 59 (CanLII)].

[39] In addition, even if a connection between the website *www.lidl.de* and the Applicant had been established by the Opponent's evidence, the content of the webpages attached as Exhibit GP-1 is in a foreign language. In this regard, I note that one of the web pages displays a tab entitled "51 Produkte", yet (assuming "producte" means "products") the following web pages apparently only display 39 single bottles of wine. Under another tab entitled "33 Produkte", the following web pages apparently only display 25 groupings of bottles; etc. These discrepancies bring into question the exhaustiveness of the search results displayed in Exhibit GP-1 and what inferences can be drawn therefrom.

[40] As for the printouts attached as Exhibits GP-2 and GP-3, they consist of mere listings obtained from Mr. Picout's searches on the German Google search engine, not to mention that said listings are mostly in a foreign language. I also note that the search parameters for Exhibit GP-2 do not appear to include the combined words "GRILL & FUN". In any event, no relevant information may be gleaned from these mere listings which would allow me to draw any meaningful inference as to the absence of use of the Mark by the Applicant in Germany.

[41] In reference to Exhibit GP-5, Mr. Picout has not provided any details pertaining to how he selected which pages of listings to print from these Google Images search results. In any event, even if such explanations were provided, these mere listings do not, once again, allow me to draw any meaningful inferences as to the absence of use of the Mark in Germany at the material date. At best, these listings merely show that the images contained therein existed at the time Mr. Picout's searches were performed and that certain products bearing these images may have been marketed somewhere at the time of his searches.

[42] Reverting to the printouts from the *WayBack Machine* attached as Exhibit GP-4, my comments above in relation to Exhibit GP-1 equally apply in that said printouts also fail to

establish a connection between the archived website *www.lidl.de* and the Applicant. Furthermore, even if such a connection had been established, once again the content of the pages attached as Exhibit GP-4 is in a foreign language. In the absence of any accompanying explanations from Mr. Picout regarding the results derived from his limited search parameters, I am unable to properly understand and contextualise the information appearing in these pages. For example, while I am able to note these pages contain various references to different numbers of “captures” which seem to correspond to different periods of time (the oldest dating back to February 10, 1998), the precise nature of these “captures” remains unexplained. Furthermore, it is unclear how Mr. Picout selected which pages to print from which archived versions of the Applicant’s alleged website given the lack of explanation provided at paragraph 7 of his affidavit. For all of these reasons, it is difficult to ascertain how any meaningful inference may be drawn from Exhibit GP-4 as to the absence of use of the Mark by the Applicant in Germany at the material date.

[43] In its written argument, the Opponent submits that it would have been very easy for the Applicant to dissipate doubts raised in the Picout affidavit by filing evidence proving use of the Mark in association with the Goods in Germany. I disagree with the Opponent’s approach.

[44] While an opponent’s initial burden with respect to section 30(d) is a lighter one given that the relevant information regarding use is more readily available to an applicant, this burden is not eliminated altogether.

[45] In this case, for all the reasons mentioned above, I am not satisfied the Opponent met its initial evidential burden in putting into issue the use of the Mark by the Applicant in association with the Goods in Germany as of November 26, 2014. Therefore, the Applicant was under no obligation to evidence such use.

[46] Accordingly, the section 30(d) ground of opposition is dismissed.

Non-compliance with section 30(e) of the Old Act

[47] The Opponent has pleaded that the application does not conform to the requirements of section 30(e) of the Old Act because at the filing date of the application, the Applicant had no intention to use the Mark in Canada in association with the Goods. The Opponent alleges a lack

of intention because [TRANSLATION] “the Applicant does not operate any grocery store in Canada (which is its main pursuit in Europe) and it is therefore obvious that the filing of the application was motivated by strategically defensive purposes rather than a bona fide intention to sell the Goods in Canada, much less the intention to use the Mark in association with any goods”.

[48] The material date for this ground of opposition is the filing date of the application (November 26, 2014) [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475].

[49] Not only is there no evidence in support of the Opponent’s claims, they are merely speculative arguments.

[50] In this regard, I note that the Opponent submits in its written argument that the Applicant did not use the Mark in Germany and therefore argues it would be surprising if the Applicant had the intention to use the Mark in Canada. The Opponent further argues it would have been easy for the Applicant to explain its business plan for Canada in relation to the Mark and that the Applicant’s silence coupled with the Opponent’s light evidential burden should be interpreted as an admission that this ground of opposition is well founded. I disagree with the Opponent’s approach.

[51] While the initial burden on the Opponent under section 30(e) is lighter considering the facts regarding the Applicant’s intentions are particularly within the knowledge of the Applicant [*Molson Canada v Anheuser-Busch Inc* (2003), 2003 FC 1287 (CanLII), 29 CPR (4th) 315 (FCTD); *Green Spot Co v JB Food Industries* (1986), 13 CPR (3d) 206 (TMOB); and *Tune Masters, supra*], the Opponent must nonetheless first meet its burden.

[52] Furthermore, even if I were to accept that the Applicant did not use the Mark in association with the Goods in Germany, I am of the view that this would not necessarily preclude the Applicant from having a bona fide intention to use the Mark in Canada.

[53] Accordingly, the section 30(e) ground of opposition is dismissed.

Grounds of opposition relating to the issue of likelihood of confusion between the Mark and the Opponent's trademark FUN

Non-entitlement under sections 16(2)(a) and 16(3)(a) of the Old Act

[54] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark under sections 16(2)(a) and 16(3)(a) of the Old Act since at the date of filing the application, the Mark was confusing with the Opponent's trademark FUN, which had been previously used in Canada by the Opponent and which trademark was not abandoned at the date of advertisement of the Applicant's application.

[55] To meet its evidential burden in respect of these grounds, the Opponent must show that as of the priority filing date of the application (May 30, 2014), its trademark FUN had been previously used in Canada and had not been abandoned as of the advertisement date of the application (February 3, 2016) [*Beaumaris Yacht Club v Baik Yang Co, Ltd*, 1991 CanLII 6757 (TMOB) and section 16(5) of the Act].

[56] In order to substantiate its position under these grounds of opposition, the Opponent relies on the Dandurand affidavit.

[57] As explained below, I am of the view that the Dandurand affidavit is not sufficient for the Opponent to meet its initial evidential burden.

[58] As per my review above of the Dandurand affidavit, Mr. Dandurand asserts at paragraphs 13 and 14 of his affidavit that the Opponent's FUN wines have been sold in Canada since 2011, and "were and/or are sold" at various liquor boards in Canada situated in Quebec, Ontario, British Columbia, Newfoundland and New Brunswick.

[59] However, except for the Opponent's registration for the trademark FUN attached as Exhibit PD-1 to Mr. Dandurand's affidavit showing that a declaration of use was filed on April 14, 2011, there are no other elements in his affidavit substantiating use of the trademark FUN in Canada going back to 2011. In this regard, the mere existence of a registration can establish no more than *de minimis* use of the Opponent's trademark [*Entre Computer Centers*,

Inc v Global Upholstery Co (1992), 40 CPR (3d) 427 (TMOB)]. Such use does not meet the requirements of section 16 of the Act [*Rooxs, Inc v Edit – SRL* (2002), 23 CPR (4th) (TMOB)].

[60] Furthermore, the printouts from the websites of the various liquor boards in Canada attached as Exhibits PD-3 to PD-6 to the Dandurand affidavit are all dated September 14, 2016. In other words, these exhibits merely establish that FUN branded wines were available for sale at these liquor boards as of that date, and not prior to May 30, 2014. Likewise, as noted above, the two spec sheets at Exhibit PD-2 only go back to the year 2016.

[61] In addition, while I appreciate there may be confidentiality issues preventing the Opponent from disclosing its sales and/or volume of sales figures, it remains that the Opponent chose to only divulge the approximate number of FUN wine bottles sold in Quebec between December 14, 2015 and December 14, 2016. Mr. Dandurand has provided no other sales figures and/or volume of sales (which could have been understated to preserve confidentiality) or any other elements/documentary evidence substantiating the Opponent's use of the trademark FUN in Canada prior to May 30, 2014.

[62] Accordingly, the sections 16(2)(a) and 16(3)(a) grounds of opposition are dismissed.

Non-distinctiveness under section 2 of the Old Act

[63] The Opponent has pleaded that the Mark is not distinctive within the meaning of section 2 of the Old Act in that it does not actually distinguish, nor is it adapted to distinguish the Applicant's Goods from the wines of the Opponent sold under the trademark FUN in Canada.

[64] To meet its evidential burden with respect to this ground, the Opponent must show that as of the filing date of the statement of opposition (June 21, 2016), its trademark FUN had become known to some extent at least in Canada, so as to negate the distinctiveness of the Mark [*Motel 6, Inc v No 6 Motel Ltd* (1981), 1981 CanLII 2834 (FCTD), 56 CPR (2d) 44 (FCTD); and *Bojangles' International, LLC v Bojangles Café Ltd* (2004), 40 CPR (4th) 553, affirmed (2006), 2006 FC 657 (CanLII), 48 CPR (4th) 427 (FC)].

[65] As explained below, I am of the view that the Dandurand affidavit is not sufficient for the Opponent to meet its initial evidential burden.

[66] As mentioned above, Mr. Dandurand provides figures of the volume of sales for FUN wines in Quebec (in terms of the number of bottles of red and white wines sold) for only one year, namely between December 2015 and December 2016. However, he has not provided a breakdown of the volume of sales attributable on a per month basis, nor has he clearly established which portion of the volume of FUN wines in Quebec was sold prior to June 21, 2016. Given the lack of such specific details, it is impossible to determine the extent to which consumers had become accustomed to seeing the Opponent's trademark FUN in association with wines prior to the material date to assess this ground of opposition.

[67] Accordingly, the section 38(2)(d) ground of opposition is dismissed.

Registrability of the Mark under section 12(1)(d) of the Old Act

[68] The Opponent has pleaded that the Mark is not registrable having regard to the provisions of section 12(1)(d) of the Old Act in that it is confusing with the Opponent's trademark FUN registered under No. TMA795,637.

[69] I have exercised the Registrar's discretion to confirm that this registration is in good standing as of today's date, which is the material date for assessing a section 12(1)(d) ground of opposition [*Park Avenue Furniture Corp v Wickers/Simmons Bedding Ltd* (1991), 1991 CanLII 11769 (FCA), 37 CPR (3d) 413 (FCA)].

[70] As the Opponent's evidential burden has been satisfied, the Applicant must therefore establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and the Opponent's registered trademark FUN.

The test for confusion

[71] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act provides that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

[72] Thus, this section does not concern the confusion of the trademarks themselves, but of the goods or services from one source as being from another.

[73] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at section 6(5), namely: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time the trademarks have been in use; (c) the nature of the goods, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. Further, all factors are not necessarily attributed equal weight as the weight to be given to each depends on the circumstances. [See *Mattel, Inc v 3894207 Canada Inc* (2006), 2006 SCC 22 (CanLII), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* (2006), 2006 SCC 23 (CanLII), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 2011 SCC 27 (CanLII), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion]

The inherent distinctiveness of the trademarks and the extent to which they have become known

[74] The trademarks at issue are both inherently distinctive in that neither of them is descriptive of wine *per se*. However, as noted by the Opponent in its written argument, neither of the parties' trademarks is inherently strong, especially the Opponent's, as it consists solely of the suggestive word FUN, whereas the Mark also encompasses "GRILL &" and visual elements. I will return to the ideas suggested by the parties' marks when considering the degree of resemblance between them later in my decision.

[75] The strength of a trademark may be increased by means of it becoming known through promotion or use. There is no evidence that the Applicant's Mark has been used in Canada pursuant to section 4 of the Act or that it has become known in Canada to any extent.

[76] In comparison, while the Opponent's evidence of use of the trademark FUN in association with wines does not establish its continuous use since 2011, the volume of sales figures provided in the Dandurand affidavit for the period between December 14, 2015 and

December 14, 2016, amounting to no less than 250,000 bottles of FUN wines, together with the statements of facts and exhibits discussed above, satisfy me that the trademark FUN has become known to some extent, at least in Quebec. Therefore, such use increases the distinctiveness of the trademark FUN and tends to outweigh the somewhat higher degree of inherent distinctiveness of the Mark.

[77] Accordingly, the overall consideration of this factor slightly favours the Opponent.

The length of time the trademarks have been in use

[78] In view of my comments above, this factor favours the Opponent.

The nature of the goods, services or business; and the nature of the trade

[79] The Applicant's applied-for Goods are either identical or overlapping with those covered by the Opponent's FUN registration. In the absence of any evidence to the contrary, there is no reason to conclude that the parties' goods would not travel through the same channels of trade and be directed to the same types of clientele.

[80] Accordingly, these factors favour the Opponent.

The degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them

[81] As noted by the Supreme Court in *Masterpiece, supra*, at paragraph 49, "the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis [...] if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion".

[82] Moreover, as previously mentioned, it is well-established in the case law that likelihood of confusion is a matter of first impression and imperfect recollection. In this regard, "[w]hile the marks must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public's perception of it" [*Pink Panther Beauty Corp v United Artists Corp* (1998), 1998,

1998 CanLII 9052 (FCA), 80 CPR (3d) 247 (FCA), at para 34]. Even though the first word or portion of a trademark is generally the most important for the purpose of distinction, the preferable approach is to first consider whether any aspect of the trademark is particularly striking or unique [*Masterpiece*, at para 64].

[83] Applying these principles to the present case, I find the parties' marks are more different than alike.

[84] While the Mark incorporates the whole of the Opponent's trademark FUN, the presence of the component "GRILL &" (as well as visual elements) in the Mark creates visual and phonetic differences, and also alters the ideas suggested between the parties' marks. Indeed, the Mark is made up of a three syllable phrase. Both words in the phrase "GRILL & FUN" are striking. Furthermore, the word "GRILL" occupies the dominant first position in the Mark when read or spoken. This also results in the Mark having a somewhat different connotation than the Opponent's trademark, as the component "GRILL &" coupled with the word "FUN", introduces the idea of the pleasure of cooking on a grill or suggests that the Applicant's Goods are to be enjoyed with grilled food, whereas the Opponent's trademark FUN conveys either the idea of pleasure derived from the consumption of the Opponent's wines or an invitation to consume the Opponent's wines in amusing or enjoyable situations broadly speaking.

[85] That being said, one must not lose sight of the full scope of the rights conferred by the registration of the FUN word mark. Indeed, in accordance with the principle set out in paragraph 55 of the *Masterpiece* case, *supra*, the registration of the FUN word mark allows the Opponent to use it in "in any size and with any style of lettering, color or design," it being understood, however, that "one should be careful not to give the principle set out at paragraph 55 of *Masterpiece* too great a scope for there would no longer be any need to register a design mark when one has a word mark. [...]. When comparing the marks, one is always limited to a 'use that is within the scope of a registration' (*Masterpiece*, at para 59)" [*Pizzaiolo Restaurants inc v Les Restaurants La Pizzaiolle inc*, 2016 FCA 265 (CanLII), para 33].

[86] Thus, nothing would prevent the Opponent from depicting its trademark FUN in combination with the same or similar style of lettering and colours of those found in the Mark. In

such a case, I find the visual differences existing between the parties' trademarks owing to the component "GRILL &" would be seriously undermined.

[87] Accordingly, I find the overall assessment of this factor slightly favours the Applicant.

Additional surrounding circumstances

Food and wine pairing

[88] As an additional surrounding circumstance, I note that the spec sheets for the Opponent's FUN wines attached as Exhibit PD-2 to the Dandurand affidavit, indicate that they are a perfect match with, among other things, grilled meats and pork grilled on BBQ.

[89] I find this constitutes a surrounding circumstance that tends to reduce the slight advantage conferred on the Applicant in the overall consideration of the degree of resemblance between the parties' marks. As indicated above, one of the ideas suggested by the Mark is that the Applicant's Goods are to be enjoyed with grilled food, which happens to be a "perfect match" with the Opponent's FUN wines.

Prevalence of the word FUN in association with wines

[90] At paragraph 20 of his affidavit, Mr. Dandurand purports to establish the unique character of the trademark FUN by asserting that to the best of his knowledge, the Opponent's FUN wines are the only wines sold in Canada with a trademark comprised of the word "FUN". Mr. Dandurand further asserts at paragraph 21 of his affidavit that the results of searches on the websites of the SAQ, the BCLDB, the NLLC and the ANBL revealed no wines, other than those of the Opponent, sold in Canada in association with a trademark comprised of the word "FUN".

[91] While that may be the case, it remains that one cannot extrapolate from search results generated from the websites of only four liquor boards in Canada that no other wine or alcoholic product with a trademark comprised of the word "FUN" would not be available for sale at other liquor boards or other points of sale in Canada such as convenience stores or grocery stores. Incidentally, I note that the results of the searches on the website of the NLLC for "FUN" attached as Exhibit PD-5 generated results for third party products, aside from the Opponent's

FUN wines. While one can appreciate the reason why some of these third party products were displayed in the results (like “Funky Puffin Blueberry Rhubarb” (my underlining)), it is impossible to determine, without speculating, why some of these other products were included in the search results for “FUN” (like “Skinnygirl Pinot Grigio”).

[92] In the absence of proper state of the trademark register and/or marketplace evidence regarding the prevalence of the word FUN in association with wines in Canada, I do not consider this portion of Mr. Dandurand’s affidavit to constitute a significant surrounding circumstance.

Conclusion regarding the likelihood of confusion

[93] As indicated above, section 6(2) of the Act is not concerned with the confusion of the trademarks themselves, but confusion of goods or services from one source as being from another. In the present case, the question resides in whether an individual, who has an imperfect recollection of the Opponent’s trademark FUN in association with wine would, as a matter of first impression and imperfect recollection, be likely to conclude that the Applicant’s Goods come from the same source or that some form of authorization exists between the parties.

[94] While I acknowledge the fact that the trademarks in issue are not identical, I find the differences existing between them are not sufficient to outweigh the overall consideration of the section 6(5) factors discussed above. In the absence of any additional surrounding circumstances favouring the Applicant, I find that the balance of probabilities as to the likelihood of confusion as to the source of the parties’ goods to be evenly balanced between a finding of confusion and of no confusion. As the onus is on the Applicant to show, on a balance of probabilities, that there is no reasonable likelihood of confusion, I must find against the Applicant.

[95] Accordingly, the section 12(1)(d) ground of opposition succeeds.

DISPOSITION

[96] In view of all the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application with respect to the goods “Wine, beverages containing wine, cider”, pursuant to section 38(12) of the Act.

[97] As indicated above, the Opponent has not opposed the application with respect to the remaining goods listed in Schedule A.

Annie Robitaille
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

SCHEDULE A

- (1) Cleaning preparations for barbecues.
- (2) Fuels, in particular charcoal, charcoal briquettes, wood, coal and charcoal lighters in solid and liquid form.
- (3) Foil of metal for packaging, barbecue foils, metal foil, aluminium barbecue dishes.
- (4) Plastic cutlery.
- (5) Grills, disposable barbecues.
- (6) Paper tablecloths, paper napkins.
- (7) Paper plates, paper cups, plastic cups, drinking glasses, beer glasses, wine glasses, plastic plates; straws for drinking.
- (8) Clothing, namely athletic clothing, business clothing, casual clothing, children's clothing, fishing clothing, outdoor winter clothing, sports clothing; footwear, namely athletic footwear, beach footwear, casual footwear, children's footwear, evening footwear, outdoor winter footwear, rain footwear, sports footwear; headgear, namely hats, caps, toques, berets, kerchiefs, bandannas; barbecue aprons.
- (9) Meat and meat based products, namely meat preserves, meat jelly, meat pies, meat sauce, meat spreads; fish and fish products, namely fish preserves, fish pies, fish spreads; other seafood (not live) and goods thereof, namely seafood spreads, prepared meals consisting of seafood; poultry and poultry products, namely poultry preserves, poultry sausages, poultry pies, poultry roasts, poultry liver pastes; game and game products, namely game preserves, game sausages, game pies, game spreads; sausages and sausage products, namely blood sausage, fish casings, sausage casings; weich- and molluscs and shellfish (not live) and goods thereof, namely shrimp rolls, lobster bisque, prepared meals consisting of shellfish; fruits and vegetables, including being pickled in and/or filled with sweet and/or sour sauce; milk and milk products; potato products of all kinds, namely French fries, potato chips, potato-based snack food; including all the aforesaid goods preserved, cooked, dried and/or frozen; salads with a meat, fish, poultry, game, sausage, seafood, vegetable and/or fruit base; ready meals consisting essentially of meat, fish, poultry, game, shellfish, vegetables, fruits and/or milk products.
- (10) Bread, hot-cross buns, filled baguettes, pizzas and pizza products, namely pizza dough, pizza sauce; rice, pasta, noodles; spices, spice preparations, spices flavourings, spice essences, spice extracts, herbs, spiced oils, spiced salt, condiments, spices, herb flavourings and herb

preparations, salad dressings, salt, pepper, cooking salt, ketchup [sauce], mayonnaise, tartare sauce, sauces (condiments), namely tomato sauce, spaghetti sauce, pizza sauce, barbecue sauce, gravy, soy sauce, grilling sauces, dressings for salad; vinegar, mustard, horse radish; ready meals consisting essentially of preparations made from cereals, pasta, noodles, rice, bread, pastry and/or confectionery.

(11) Fresh fruits and vegetables, including in chopped form and in the form of salads.

(12) Beers, non-alcoholic beers, flavored beers, mixed drinks containing beer.

(13) Wine, beverages containing wine, cider.

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

No Hearing Held

AGENTS OF RECORD

BCF S.E.N.C.R.L./BCF LLP

FOR THE OPPONENT

ROBIC

FOR THE APPLICANT