



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 58

Date of Decision: 2021-03-30

IN THE MATTER OF AN OPPOSITION

**McSheep Investments Inc. (formerly
Telpo Investments Inc.)**

Opponent

And

Hemingway, Ltd.

Applicant

**1,653,460 for ERNEST
HEMINGWAY**

Application

OVERVIEW

[1] Hemingway, Ltd. (the Applicant) is the family corporation of the estate of the late famous author Ernest Hemingway. It has filed application No. 1,653,460 to register the trademark ERNEST HEMINGWAY in association a variety of goods and services including clothing, shoes, beverages as well as providing various recreational and sports facilities and arranging leisure activities.

[2] McSheep Investments Inc. (formerly Telpo Investments Inc.) (the Opponent) opposes the application on the basis that the Mark is confusing with the Opponent's registered trademark

HEMINGWAY'S, previously used in Toronto, Ontario, in association with restaurant and bar services.

[3] The parties are also involved in the co-pending opposition involving the trademark HEMINGWAY, application No. 1,452,075(01), the decision for which will be issued under separate cover.

[4] For the reasons that follow, the application is refused with respect to the following goods:

shirts, polo shirts, t-shirts, sweatshirts, sweaters, jackets, coats, raincoats, leather jackets, hats, waterproof and windproof coats, jackets, anoraks, hoods and tuques; beverages, namely, beverages made of coffee; beverages made of tea; carbonated beverages;

and the opposition is rejected with respect to the remaining goods and services pursuant to section 38(12) of the Act.

THE RECORD

[5] The application was filed on November 25, 2013, and is based on proposed use of the Mark in Canada in association with the Goods and Services set out in the attached schedule A.

[6] The Application was advertised for opposition purposes in the *Trademarks Journal* on April 6, 2016. On August 30, 2016, the Opponent filed a statement of opposition pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). I note that the Act was amended on June 17, 2019. All references in this decision are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act as it read before it was amended (see section 70 of the Act which provides that section 38(2) of the Act as it read prior to June 17, 2019 applies to applications advertised prior to that date).

[7] The Opponent raises grounds of opposition based on registrability under section 12(1)(d), entitlement under section 16(3)(a), distinctiveness under section 2, and non-compliance with section 30(i) of the Act. The primary basis for the opposition is an alleged likelihood of confusion with the Opponent's trademark HEMINGWAY'S (registration No. TMA661,809) registered in association with restaurant and bar services.

[8] The Applicant responded by filing and serving a counter statement.

[9] The Opponent's evidence consists of the affidavits of Martin McSkimming dated February 15, 2017 (McSkimming #1), and Runa A. The Applicant's evidence comprises the affidavits of Ahmed Bulbulia , D. Jill Roberts, dated June 27, 2018 (Roberts #1) and Scott Tremblay, which comprised a portion of the file history for the related opposition file against the trademark HEMINGWAY, application No. 1,452,075-01.

[10] In reply, the Opponent filed a second affidavit of Mr. McSkimming dated July 30, 2018 (McSkimming #2). Mr. McSkimming was cross-examined on his reply affidavit and his transcript and replies to undertakings form part of the record.

[11] Leave was granted to the Applicant to file a second affidavit of Jill D. Roberts, dated December 6, 2018 (Roberts #2).

[12] The Opponent was granted leave to file an amended statement of opposition on December 7, 2018.

[13] Both parties filed a written argument and both made submissions at a hearing.

LEGAL ONUS AND EVIDENTIAL BURDEN

[14] The Applicant bears the legal onus of establishing that, on a balance of probabilities, its application complies with the requirements of the Act. 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 [see *John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD)].

PRELIMINARY ISSUES

Opponent's correspondence dated December 8, 2020

[15] On December 8, 2020, the Opponent submitted a letter to the Registrar and the Applicant in which it indicated that the opposition may be treated as withdrawn in respect of the following goods and services:

Goods:

Wood flooring, wood tile flooring, wood veneer, veneer for floors, parquet wood flooring; tiles of clay, glass, ceramic and earthenware for floor, wall and ceiling; floor panels. fishing footwear; fishing waders; wallets, bifolds, namely a flat, folding pocketbook; passport cases; watches; eyeglasses, sunglasses, eyeglass cases, eyeglass frames and eyeglass chains; luggage, travel bags, duffel bags, satchels, messenger bags, tote bags, overnight bags; fishing equipment for outdoors, namely, rods, reels, fishing tackle, namely hooks, flies, nets, lines, floats and lures; artificial bait, buoys, gaffs, winging material for flies and jigs, spinners; rod cases; fly boxes; lure boxes; tackle boxes; fishing pole holders, including those worn on the body; knives, namely hunting knives and fishing knives; hunting rifles and shot guns, gun cases, gun belts, and powder flasks; shooting gloves; bed blankets, bed linen, bed sheets, bed spreads, pillows, pillow cases, pillow shams, comforters, padded blankets, duvets, duvet covers, curtains, draperies, dust ruffles; bath linen, bath towels, washcloths, bath rugs, textile wall hangings; after-shave lotions, after-shave balms, body cream, body oil, body powder, cologne, skin conditioners, hair conditioners, shaving cream, shaving foam, deodorants, antiperspirants, eau de parfum, eau de toilette, facial creams, shaving gel, shower gel, bath gel, perfume, potpourri, room fragrances, scented body spray, hair shampoo, skin cleansers, skin moisturizer, skin soap, sun creams, sun screen preparations, sun tan lotions;

Services

conducting sightseeing tours for others; arranging safari expeditions; travel clubs; travel, and cruise arrangement; boat storage; boathouse services;

[16] Accordingly, the only applied goods and services at issue in this opposition are as follows:

Goods:

Clothing for men, women and children, namely, shirts, polo shirts, t-shirts, sweatshirts, sweaters, pants, sweatpants, dresses, skirts, shorts, jumpsuits, jackets, coats, raincoats, suits, leather jackets, vests, quilted vests, fishing vests, bandanas, hats, ties, scarves, gloves, underwear, swimwear, pajamas, nightgowns, robes, socks, hosiery, belts (clothing); shoes, boots, athletic shoes, moccasins, sandals, slippers, boating shoes, waterproof footwear; waterproof and windproof coats, jackets, pants, anoraks, hoods and tuques; beverages, namely, beverages made of coffee; beverages made of tea; carbonated beverages; beer; alcoholic beverages, namely wine, rum and whiskey.

Services:

Providing recreational and sports facilities, namely sports arena facilities, athletic field facilities, golf courses, tennis courts, swimming pool facility; boat cruises; rentals of boats and sailboats; boat chartering; excursion arrangement, arranging of tours and cruises, namely boat cruises; marina services; conducting fishing charters.

Prior Settlement Agreement

[17] The Applicant objects to the inclusion, in the affidavit of Mr. McSkimming #1, of materials related to a settlement of a previous opposition between the parties with respect to application No. 1,340,309 dated May 7, 2009. Paragraphs 13-17 of his affidavit set out in detail and put onto the public record the substance of said settlement agreement. The affiant also included a copy of the settlement agreement as Exhibit J to his affidavit.

[18] The Applicant objected to the references in question in a letter to the Board dated February 28, 2017. By way of letter dated March 17, 2017, the Member declined to strike the materials in question, indicating that matters of evidence are to be determined at the decision stage.

[19] Relying on the decision in *Sable Offshore Energy Inc v Ameron International Corporation*, (2013) SCC 37, the Applicant submits that the inclusions of these references constitutes a breach of the settlement privilege which attaches to both the negotiations and the ultimate agreement between the parties.

[20] In view that such evidence did not address the trademark application at issue in this proceeding, namely application No. 1,653,460, I agree with the Applicant that such evidence is inadmissible as it constitutes a breach of the settlement privilege [see *Mothercare v Previous Secret Maternity* (1976), 27 CPR (2d) 171 (TMOB) and *SkySolar Holdings Co v Skypower Global*, 2014 TMOB 262]. Accordingly, I will not have regard to paragraphs 13-17 of Mr. McSkimming's affidavit #1 nor Exhibit J to his affidavit and both will be considered not of record.

Evidence in Reply

[21] Pursuant to section 43 of the *Trademark Regulations*, SOR/2018-227 (the Regulations), reply evidence must be strictly confined to matters in reply. The test is not simply whether the evidence could have been included in the Opponent's evidence in chief but whether the evidence is in reply to the Applicant's evidence and is responsive to an unanticipated matter.

[22] Most of Mr. McSkimming's reply affidavit responds to the evidence that was given by Mr. Bulbulia. It is therefore proper evidence in reply.

[23] Exhibit 1 to his affidavit, however, is a different affidavit of Mr. McSkimming which was the Opponent's evidence in chief filed in its opposition to application No. 1,452,075 for the trademark HEMINGWAY. The Applicant submits that this evidence is improper as it is an attempt to bolster the Opponent's evidence in chief.

[24] I agree with the Applicant on this point. Accordingly, I will disregard the content of Exhibit 1 which was filed in association with the McSkimming affidavit #2.

Insufficiency of Pleadings

[25] The Opponent's section 16(3)(a) and section 38(2)(d) grounds of opposition have been pleaded as follows:

Pursuant to section 38(2)(c), the Applicant is not the person entitled to the registration of the trademark as applied for as required by section 16(3)(a) as its application is confusing with the trademark "HEMINGWAY'S" held by the Opponent and used in Canada by the Opponent since April 3, 2017, and prior to that held and used by the Opponent's predecessor in title Telpo Investments Inc., including through its licensee.

Pursuant to section 38(2)(d) the trademark is not distinctive of the Applicant in that contrary to section 2 it does not actually distinguish nor is it adapted to distinguish the wares of the Applicant from the wares and services of others including the Opponent and prior to April 3, 2017, the Opponent's predecessor in title Telpo Investments Inc., including through its licensee.

[26] The wording of both of these grounds lacks specificity in that they do not identify the food, beverages and clothing goods which Mr. McSkimming claims the Opponent's mark has been used in association with.

[27] Relying on the decision in *Imperial Developments v Imperial Oil* (1984), 79 CPR (2d) 12 (FCTD), the Applicant submits that issues in an opposition are confined to those raised in the statement of opposition. It is therefore the Applicant's submission that since the Opponent only relied on its registered mark and did not identify other goods or services in association with

which it was used, it can only rely on the goods and services that are registered in association with its mark (*i.e.* restaurant and bar services).

[28] The Opponent, on the other hand, submits that the Applicant did not request an interlocutory ruling in order to better understand the case it had to meet under this ground. I also note that it has previously been held that in determining the scope of the pleadings, the evidence needs to be considered [*Novopharm v Astrazeneca*, 2002 FCA 387].

[29] In my view, this case can be distinguished from *Imperial Oil, supra*, because that case was about a ground not having been plead at all whereas in this case, the Opponent has raised both section 16(3)(a) and section 38(2)(d) as grounds in its statement of opposition. Further, the Opponent's evidence does purport to show use of its mark in association with food, beverages and clothing. I therefore find that the deficiencies in the Opponent's section 16(3)(a) and distinctiveness grounds have been remedied by the Opponent's evidence. Accordingly, I find that any use of the Opponent's mark in association with clothing, food and beverages can be considered under both of these grounds [see also *Arc 'Teryx Equipment Inc v Kawasaki Jukogyo Kabushiki Kaisha (Kawasaki Heavy Industries, Ltd)*, 2015 TMOB 60].

GROUND OF OPPOSITION

Section 30(i) Ground of Opposition

[30] Section 30(i) requires an applicant to indicate as part of its application that it is satisfied that it is entitled to use the trademark in Canada in association with the applied for goods and services.

[31] The Opponent alleges that the application does not comply with section 30(i) of the Act because the Applicant could not have been satisfied that it was entitled to use the Mark in association with certain goods on the basis of a settlement agreement entered into between the parties in a different proceeding. The Opponent also submits that the Applicant was aware of the Opponent's previously used trademark.

[32] I have already ruled that the settlement agreement entered into between the parties in a different proceeding is inadmissible. Even if I could have had regard to the settlement

agreement, there are no provisions in it which prevent the Applicant from filing the present application nor using its Mark in association with the applied for goods [see *McDonald's Corp v Alberto-Culver Co* (1995), 61 CPR (3d) 382 (TMOB)]. I therefore would not have found that the Opponent had met its initial burden on this allegation.

[33] With respect to the Opponent's remaining argument under this ground, it has previously been held that mere knowledge of the existence of an opponent's trademark does not in and of itself support an allegation that the applicant could not have been satisfied of its entitlement to use its mark [*Woot, Inc v WootRestaurants Inc Les Restaurants Woot Inc*, 2012 TMOB 197]. Therefore, even if the Applicant had knowledge of the Opponent's mark when it filed its application, this would not have been sufficient to have supported the Opponent's allegation under this ground. Accordingly, this ground is dismissed.

Section 12(1)(d) Ground of Opposition

[34] The Opponent has pleaded that the Mark is not registrable under section 12(1)(d) of the Act as it is confusing with the Opponent's HEMINGWAY'S trademark, registered under No. TMA661,809 in association with restaurant and bar services.

[35] The material date for considering this ground of opposition is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks*, 1991 CanLII 11769 (FCA)].

[36] I have exercised my discretion to check the Register and confirm that registration No. TMA661,809 is extant [*Quaker Oats Co of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. I therefore find that the Opponent has met its initial evidential burden with respect to this ground of opposition.

Meaning of Confusion between Trademarks

[37] Trademarks are confusing when there is a reasonable likelihood of confusion within the meaning of section 6(2) of the Act:

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 or appear in the same class of the Nice Classification.

[38] Thus, section 6(2) does not concern mistaking one mark for the other, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the goods and services, sold under the ERNEST HEMINGWAY Mark, would believe that those goods and services were produced or authorized or licensed by the Opponent who sells its services under the HEMINGWAY'S trademark.

Test for Confusion

[39] The test for confusion is one of first impression and imperfect recollection. Factors to be considered, in making an assessment as to whether two marks are confusing, are “all the surrounding circumstances including” those specifically mentioned in sections 6(5)(a) to 6(5)(e) of the Act: the inherent distinctiveness of the marks and the extent to which they have become known; the length of time each has been in use; the nature of the goods, services or business; the nature of the trade; the degree of resemblance in appearance or sound of the marks or in the ideas suggested by them. This list is not exhaustive and all relevant factors are to be considered. While all factors do not necessarily have equal weight, the degree of resemblance is often the most likely to have the greatest effect in deciding the issue of confusion [see *Gainers Inc v Tammy L. Marchildon and The Registrar of Trademarks* (1996), 66 CPR (3d) 308 (FCTD) and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC)].

Inherent distinctiveness and the extent to which the marks have become known

[40] Both parties submitted evidence regarding the fame of the author Ernest Hemingway [Affidavits of Runa A, D. Jill Roberts#1 and Scott Tremblay]. Indeed the evidence even that the word Hemingway is actually defined in the Canadian Oxford Dictionary as follows:

Hemingway/Ernest (Miller) (1899-1961), U.S. novelist...He was awarded the Nobel Prize for literature in 1954.

[41] The Applicant submits that its Mark has a higher degree of inherent distinctiveness than the Opponent's mark because the evidence shows that its Mark is the name of the world famous

author ERNEST HEMINGWAY and consumers would likely recognize it as such. I agree with the Applicant that its Mark may be slightly more inherently distinctive than the Opponent's mark because when the given name ERNEST is combined with the surname HEMINGWAY, the Mark is clearly the name of the famous author.

[42] I still find, however, that both the Applicant's Mark, being a given name and a surname, and the Opponent's mark being a surname, are inherently weak marks [*Sarah Coventry Inc v Abrahamian* (1984), 1 CPR (3d) 238 (FCTD); *Ricard v Molson Breweries, a Partnership*, 1999 CanLII 19465; *Boutique Jacob Inc v Joseph Limited*, 2015 TMOB 121].

[43] The extent to which a trademark has become known is referred to as the acquired distinctiveness of a trademark. A trademark may acquire distinctiveness by being used or made known in Canada. The Opponent's affiant, Mr. McSkimming, describes himself in his first affidavit as follows:

- he used to be the director of the Opponent's predecessor by amalgamation, Telpo Investments Inc. (Ontario corporation number 426439);
- he is sole director and shareholder of Telpo Investments Inc. (Ontario corporation number 664995); and
- he is also a director and majority shareholder of McSheep Investments Inc (McSheep), an Ontario business corporation which operates a restaurant and bar under the trademark HEMINGWAY'S under a license agreement between the Opponent and McSheep;

The evidence of Mr. McSkimming provides that the Opponent, its predecessor by amalgamation and/or its licensee McSheep have operated the restaurant and bar HEMINGWAY'S in Toronto, Ontario, since at least as early as May 26, 1980 [McSkimming #1, para 2]. Since that date, the trademark HEMINGWAY'S has appeared on exterior signage, on menus, on other goods, elsewhere in the restaurant and also on the restaurant's website at <http://hemingways.to>, which contains menus, pictures taken at events held at the restaurant, announcements of future events and online table reservations [McSkimming #1, para 10 and 18; Affidavit of Runa A., Exh. A]. Sales of food, liquor and soft drinks at the Opponent's restaurant and bar as of April 30, 2016, were \$6,349,963 [McSkimming #1, para 11].

[44] The Opponent's restaurant and bar has also been referenced in the following publications: *Southern Skies*, the inflight magazine of Ansett New Zealand, the *Toronto Star*, the spring 2005 issue of "hosting", the official publication of the Ontario Restaurant and Hotel & Motel Association, *Toronto Today* and on social media including Facebook, Instagram and Twitter [McSkimming #1, para 20; Affidavit of Runa A., Exhibits B-D]. Circulation figures for the publications and social media sites were not provided. While I am prepared to take judicial notice of the fact that the *Toronto Star* has wide circulation in Canada, I do not consider this evidence sufficient to show that the Opponent's mark has become known outside of the Toronto area to any significant extent.

[45] Although the Applicant did not file any evidence of use of its Mark, the Applicant submits that because it is the owner of two previous registrations in Canada for the trademark ERNEST HEMINGWAY, its Mark has prior acquired distinctiveness. I respectfully disagree with the Applicant on this submission. The Applicant did not submit any evidence of use in Canada of either of its other ERNEST HEMINGWAY trademarks. Further, even if it did, it is well established that the existence of prior registrations owned by a party does not automatically entitle that party to register a similar trademark [see *Groupe Lavo Inc v Proctor & Gamble Inc* (1990), 32 CPR (3d) 533 (TMOB) at para 15; see also *Highland Feather Inc v American Textile Co*, 2011 TMOB 16 at para 20].

[46] In view of the above, I find that the Opponent's mark has become known to a considerable extent in Toronto in association with bar and restaurant services. As the Applicant did not file any evidence of use of its Mark, this factor overall favours the Opponent.

Length of time in use

[47] The Opponent's mark has been used in association with bar and restaurant services since 1980. As the Applicant's Mark is based on proposed use, and the Applicant has not provided any evidence of use of its Mark since the filing date of the application, this factor also favours the Opponent.

Nature of the goods, business and trade

[48] When considering the goods, services and trades of the parties, it is the statement of goods or services in the parties' trademark application or registration that governs in respect of the issue of confusion arising under section 12(1)(d) of the Act [*Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA.); *Mr. Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); *Miss Universe Inc v Bohna*, 1994 CanLII 3534 (FCA)].

[49] As explained above, the applied for goods and services of the Applicant that the Opponent has stated are of issue include clothing, shoes, beverages (both alcoholic and non-alcoholic) as well as those applied for services which provide various recreational and sports facilities and arrange other leisure activities.

[50] I will begin by stating that the Opponent's registration does not cover clothing goods. Since it is the statement of goods or services in the parties' trademark application or registration that govern in respect of the issue of confusion arising under section 12(1)(d) of the Act, any use of the Opponent's mark in association with such goods will be considered later in my decision as a further surrounding circumstance.

[51] I will next consider the applied for beverages, as I agree with the Opponent that the sale of food and beverages is incidental to the Opponent's operation of a restaurant and bar.

[52] The Applicant submitted the affidavits of Mr. Bulbulia and Ms. Roberts #2. Mr. Bulbulia, a barrister and solicitor practicing in Mississauga, was asked by the Applicant's agent to attend at the Opponent's HEMINGWAY'S restaurant to determine the following: whether there were any goods for sale at the restaurant, whether there was any use of the HEMINGWAY'S trademark on glassware or alcoholic beverages and to verify if there was a gift shop at the restaurant in which branded goods were on sale.

[53] Ms. Roberts is a law clerk employed by the Applicant's agent. In her second affidavit, she accessed various third party websites and searched for the terms Eggs Benedict and Eggs Hemingway.

[54] The most pertinent parts of the evidence of Mr. Bulbulia and Ms. Roberts #2 provides the following:

- The alcoholic beverages served in the Opponent's restaurant are products of third party brewers, wineries and distillers and refer to trademarks owned by these third party suppliers
- Beverages sold in the Opponent's restaurant are served in clear glasses or carafes without any reference to the Opponent's mark
- There was reference to a Hemy's Margarita on the menu
- The only activity Mr. Bulbulia observed was the preparation and serving of food and beverages within the normal scope of restaurant and bar services
- Eggs Hemingway is a recipe similar to Eggs Benedict and may not be unique to the Opponent's restaurant

[55] The Opponent's evidence comes from Mr. McSkimming's affidavit #2 and the affidavit of Ms. Runa A., junior legal consultant with the Opponent's agent's law firm. The most pertinent parts of their evidence shows the following:

- The Opponent's mark has appeared on the menus, billfolds and some menu items such as HEMINGWAY's fried chicken or eggs HEMINGWAY
- Examples of invoices displaying the Opponent's mark dated between 2013 and 2017 provided to customers who purchased food or drink are provided as exhibits
- When a customer orders an alcoholic beverage, such as a HEMY'S margarita or a bottle of house wine, it is served in a carafe not bearing the Opponent's trademark or would be labelled with the trademark of the third party producer of the alcoholic beverage; the Opponent is not a brewer, vintner or a distiller
- Coffee and tea are offered for sale on a separate menu
- The Opponent's restaurant does not make its own coffee, it acquires it from third parties
- The Opponent provides food on a take-out basis, and occasionally performs catering services but does not sell ingredients or food products outside the restaurant

[56] I do not find that the non-alcoholic beverage goods of the Applicant are related to the Opponent's restaurant and bar services. In this regard, the evidence in this case shows that the coffee and tea being served in the Opponent's restaurant come from a third party. I therefore do not find that the average consumer would associate the coffee with the restaurant serving it as opposed to as a third party brand. The same could also be said with respect to the Applicant's non-alcoholic carbonated beverages.

[57] With respect to the alcoholic beverages, the evidence shows that the Opponent is not a brewer, vintner or distiller. The evidence also shows that when served, the Opponent's beverages are either not associated with any mark or are labelled with the trademark of a third party producer. In the absence of evidence showing that restaurant patrons would expect the Opponent's restaurant to brew beer, make wine or distill spirits, I agree with the Applicant that the nature of trade of the applied for alcoholic beverages is different from the Opponent's restaurant and bar services [*Prime Restaurants Inc v Pacific Vision Proprietary Ltd*, 2014 TMOB 9; *Hotel La Sapiniere Ltee v S Coorsh & Sons* (1982), 78 CPR (2d) 216 (TMOB) at 222; *Calona Wines Ltd v Bay-Charles Restaurant Ltd* (1980), 51 CPR (2d) 19 (FCTD) at 22].

[58] In considering this issue I had regard to the following excerpt from the decision in *La Sapiniere, supra*:

The opponent has also relied upon its menus and wine lists in support of its position that its trade mark LA SAPINIÈRE has been associated with and has been used by the opponent to distinguish food products sold by it from those of others. While the menus annexed to the Dufresne affidavit which identify certain items such as "Le jambon cru La Sapinière" and "Esturgeon Fumé, La Sapinière", I consider that the opponent's trade mark LA SAPINIÈRE in this context is merely used to identify certain specialties of the restaurant and, in this context, is merely incidental to the restaurant services being rendered by the opponent in that there would be no restaurant services as such unless food products were sold to customers in the restaurant. Indeed, I do not consider there to be any distinction between a trade mark appearing either at the top or on the cover of a menu as identifying the restaurant and the name of the restaurant being associated in the menu with specialties of the house.

Likewise, the fact that the opponent in its wine list associates its trade mark LA SAPINIÈRE with particular wines which it sells within its restaurant does not convey to the public that the opponent is in the business of selling wines to the public separate and apart from the sale of wines to clientele in its restaurant

[59] Regarding the Applicant's services which provide various recreational and sports facilities and arranging other leisure activities, the Opponent submits that those applied for services overlap with the Opponent's services because any of these facilities or activities could offer food and beverage services. In this regard, the Opponent submits that golf clubs, tennis clubs, athletic or yacht clubs typically have some form of bar or restaurant.

[60] I acknowledge that many of the applied for services which are at issue could offer food and beverage services within their facilities. Having said that, this does not also mean that the Applicant's provision of sport and leisure facilities overlap with the Opponent's restaurant and bar services. In this regard, the parties' services occupy different niches and would be targeted at different consumers, *i.e.* those interested in golf, tennis, swimming, sailing, fishing, etc. versus those interested in dining. In reaching this conclusion, I had regard to Member de Paulsen's decision in *Euromed Restaurant Limited v Trilogy Properties Corporation*, 2012 TMOB 19 wherein she did not find that services related to the provision of food and drink were understood to be part of hotel services. In this regard, she stated the following at para 23:

...Similar to the *Courtyard Restaurant Inc. v. Marriott Worldwide Corp.*; 2006 CanLII 80366 (CA TMOB), 2006 CarswellNat 5371 (T.M.O.B.) at para 56 case, I find that these services occupy different niches as one is primarily concerned with the hotel business and the other with the bar and restaurant business [*Sim & McBurney v. Decore Holdings Inc.* (2011), 94 C.P.R. (4th) 399 (T.M.O.B.) at para 16]. The mere fact that the parties' services all belong to the general class of hospitality services does not lead to a finding that the parties' services themselves are similar. Furthermore, the parties' services would be targeted at different parties (those interested in lodging versus those interested in dining).

[61] In this case, the evidence shows that the Opponent's restaurant and bar services have been offered in one restaurant in Toronto since 1980, and there is no evidence of record that sport and leisure facilities typically offer restaurant and bar services in association with the same trademark. I therefore do not consider the evidence sufficient to find that that the applied for services which are at issue overlap with the Opponent's restaurant and bar services or that their channels of trade would overlap.

[62] This factor therefore favours the Applicant.

Degree of resemblance between the marks

[63] Section 6(5)(e) concerns the degree of resemblance between the marks in appearance, sound and ideas suggested. The marks are to be looked at in their totalities, and not in a side by side comparison. As noted by the Court in *Sealy Sleep Products Ltd v Simpson's-Sears Ltd* (1960), 20 Fox Pat C 76 (Ex Ct):

“It is not a proper approach to the determination of whether one trade mark is confusing with another to break them up into their elements, concentrate attention upon the elements that are similar and conclude that, because there are similarities in the trade marks, the trade marks as a whole are confusing with one another. Trade marks may be different from one another and, therefore, not confusing with one another when looked at in their totality, even if there are similarities in some of the elements when viewed separately. It is the combination of the elements that constitutes the trade mark and it is the effect of the trade mark as a whole, rather than any particular part in it, that must be considered.”

[64] In this case, the parties’ marks resemble each other to a fair degree in appearance and sound because they both include the component HEMINGWAY. However, the Mark as a whole is the entire name of the famous author, namely ERNEST HEMINGWAY, whereas the idea suggested by the Opponent’s mark is not as clear. In this regard, by using the surname HEMINGWAY with an apostrophe S, the Opponent’s mark suggests that the associated services are owned by someone with the surname HEMINGWAY. As will be discussed further below, small differences such as those in the present case, may be sufficient to distinguish between weak marks.

Surrounding circumstances – Use of the Opponent’s mark with other goods and services

[65] Although the Opponent’s mark is only registered for restaurant and bar services, the Opponent submits that it has also used its mark in association with clothing items and that it is typical in the trade to do so [McSkimming #2, paras 8-12; McSkimming cross-ex. Q.290].

[66] Both parties submitted evidence on this issue, the most pertinent parts of which I summarize below.

[67] Mr. Bulbulia’s evidence on this issue provides as follows:

- The theme of the restaurant relates to New Zealand and Australia with an emphasis on sports such as rugby and yachting, and on display were rugby, jerseys and sports jackets of New Zealand’s All Blacks and the Australian World Cup jersey. There was no indication that clothing was available for purchase but rather seemed to be used as part of the décor;
- The only clothing that appeared for sale was a framed sports jacket with the reference to ALL BLACKS on one breast pocket and HEMINGWAY’S on the other breast pocket with an indication that the jacket could be purchased for \$60-\$65;

- Male servers wore black t-shirts with the word HEMINGWAY'S on the front; and
- The only activity he observed was the preparation and serving of food and beverages within the normal scope of restaurant and bar services.

[68] In reply, the Opponent filed the affidavit of Mr. McSkimming #2, on which he was cross-examined. This evidence, along with the evidence of Mr. McSkimming #1, provides as follows:

- There are no invoices showing sales of any clothing goods under the Opponent's mark; sales of such products are not tracked specifically nor does the Opponent's invoicing system allow the Opponent to tabulate these sales;
- While the subject of normal commercial transactions, the sales of branded goods (including t-shirts, sweatshirts, jackets, caps, toques, golf shirts, ashtray and barware such as shot glasses) are secondary to the Opponent's main business of selling food and drink;
- If a client were to request one of the Opponent's branded items such as a t-shirt, the item would not be visible within the restaurant, rather an employee would go and get the item which would be situated in the office or a storage facility;
- Over the 5 year period before the date of Mr. McSkimming's second affidavit, there is estimated to have been approximately \$1000 in annual sales representing "perhaps" 80-100 clothing items per year;
- The Opponent orders a certain number of HEMINGWAY branded items and once that stock is sold the Opponent orders the same or a different type of the branded product; this practice is typical of the restaurant bar and trade;
- Branded stock is always changing over time but has in some form or another been sold to customers for more than 35 years;
- Photos depicting t-shirts and a jacket displaying the Opponent's mark are attached as exhibits; and
- The manner of sales of branded goods are two-fold: 1. Customers can ask for a HEMINGWAY's t-shirt; and 2. Goods are sold during special promotions such as Australia Day; Goods may also be given away during a charity golf tournament or simply as a giveaway to some customers.

[69] In my view, the evidence furnished shows that while certain clothing items bearing the Opponent's mark may periodically be offered for sale in association with the Opponent's restaurant and bar services, any use of the Opponent of its mark in association with these goods has been quite minimal at best. The fact that there are no invoices showing the sales of these goods, the Opponent does not manufacture its own clothing and the fact that the sales of these

goods are not tracked by the Opponent's invoicing system suggests that these goods are primarily sold to promote the Opponent's restaurant and bar and that the Opponent is not in the retail business of selling clothing.

[70] Having said that, the Opponent has still shown that it is common in the trade for restaurants to sell, or give away as promotional items, branded clothing such as shirts, jackets, tuques and hats. While the Opponent's sales of these items may be limited, they do confirm that the Opponent has been offering for sale and selling to Canadian customers such goods in association with its trademark. The Opponent has therefore shown that there is a connection between these applied for goods and the Opponent's restaurant and bar services. This factor therefore favours the Opponent. In view that the Applicant has not restricted its goods to any particular channel of trade, and in the absence of evidence to the contrary, I find that the parties' channels of trade for these goods could overlap [see, for example, *Rover Group Limited v Victor*, 2000 CanLII 28619 (TMOB)].

[71] I will add that there is no evidence that the Opponent currently sells or has ever sold or given away as a promotion other clothing items similar to the remaining applied for clothing goods, namely, pants, sweatpants, dresses, skirts, shorts, jumpsuits, suits, vests, quilted vests, fishing vests, bandanas, ties, scarves, gloves, underwear, swimwear, pajamas, nightgowns, robes, socks, hosiery, belts (clothing); shoes, boots, athletic shoes, moccasins, sandals, slippers, boating shoes, waterproof footwear, fishing footwear; or fishing waders. As there is no evidence that it is common in the restaurant industry to sell these types of goods, I do not find that the parties' channels of trade for these particular goods could overlap.

Surrounding Circumstance: Jurisprudence Concerning Weak Trademarks

[72] The jurisprudence on weak trademarks supports the Applicant's position to some extent. As noted above, it is well settled that trademarks consisting of given and surnames names are entitled to a very small ambit of protection. It is also well established that comparatively small differences will suffice to distinguish between weak marks [*Prince Edward Island Mutual Insurance Co v Insurance Co. of Prince Edward Island* (1999), 86 CPR (3d) 342 (FCTD) at paras 32-34].

[73] In *Provigo Distribution Inc v Max Mara Fashion Group SRL*, 2005 FC 1550 (CanLII) de Montigny J. explained:

The two marks being inherently weak, it is fair to say that even small differences will be sufficient to distinguish among them. Were it otherwise, first user of words in common use would be unfairly allowed to monopolize these words. A further justification given by courts in coming to this conclusion is that the public is expected to be more on its guard when such weak trade names are used ...

[74] In my view, the differences between the parties' marks, namely the fact that the Mark includes the first name ERNEST, while the Opponent's mark includes an apostrophe S which suggests the possessive form of the word HEMINGWAY, are both factors which would assist consumers in distinguishing between these two marks.

[75] I acknowledge that it is possible for the degree of distinctiveness attributed to a weak trademark to be enhanced through extensive use [*Sarah Coventry Inc v Abrahamian, supra*]. While the Opponent has shown that its mark has been used to a considerable extent in the Toronto area in association with restaurant and bar services, I would not go as far as to say that the distinctiveness of the Opponent's mark has been enhanced through extensive use, especially in association with any goods or services other than restaurant and bar services, outside of Toronto.

[76] This factor therefore favours the Applicant.

Surrounding Circumstance – State of the Register Evidence

[77] As a further surrounding circumstance, the Applicant relies on the state of the register evidence found in the first affidavit of Ms. Roberts.

[78] State of the register evidence favours an applicant when it can be shown that the presence of a common element in marks would cause consumers to pay more attention to the other features of the marks, and to distinguish between them by those other features [*McDowell v Laverana GmbH & Co. KG*, 2017 FC 327 at para 42]. Inferences regarding the state of the marketplace may be drawn from such evidence in two situations: a large number of relevant registrations are located; and/or there is evidence of common use in the marketplace of relevant

third party marks [*Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA); *McDowell v Laverana GmbH & Co KG*, 2017 FC 327 at paras 41-46; and *Cie Gervais Danone v Astro Dairy Products Ltd*, 1999 CanLII 7656 (FC)]. Relevant trademarks include those that (i) are registered; (ii) are for similar goods and services as the marks at issue, and (iii) include the component at issue in a material way [*Sobeys West Inc v Schwan's IP, LLC*, 2015 TMOB 197; *Allergan Inc v Lancôme Parfums & Beauté & Cie, société en nom collectif* (2007), 64 CPR (4th) 147 (TMOB) at 169].

[79] Ms. Roberts conducted a search for all active trademarks which included the word HEMINGWAY other than those owned by the Opponent. Ms. Roberts' evidence shows that there are 9 active applications or registrations for trademarks which include the word HEMINGWAY, and 7 of these applications or registrations belong to the Applicant. Ms. Roberts' search therefore only identified two third party trademarks.

[80] As the Applicant has not provided any evidence to establish that any of these marks has been used in Canada, I am of the view that the limited number of registrations is not significant enough to allow me to draw any conclusions from them in respect of the state of the marketplace. This factor therefore does not assist the Applicant.

Conclusion

[81] As noted above, section 6(2) does not concern mistaking one mark for the other, but confusion of goods or services from one source as being from another source. In the instant case, the question posed by section 6(2) is whether purchasers of the Goods and Services, sold under the ERNEST HEMINGWAY Mark would believe that those goods and services were produced or authorized or licensed by the Opponent who sells its services under the HEMINGWAY'S trademark.

[82] As mentioned earlier, the degree of resemblance between the parties' marks is the statutory factor that is often likely to have the greatest effect in deciding the issue of confusion. This is particularly the case, however, where the parties' goods and the parties' channels of trade, are the same or overlapping [see *Reynolds Consumer Products Inc v PRS Mediterranean Ltd*, 2013 FCA 119 (CanLII)].

[83] In this case, having considered all of the surrounding circumstances, and in particular that small differences may suffice to distinguish between weak marks and the differences in the nature of the parties' businesses and channels of trade, and notwithstanding the extent known of the Opponent's mark in Toronto in association with restaurant and bar services, I find that the Applicant has met the legal onus on it show that, on a balance of probabilities, there is no reasonable likelihood of confusion between the Mark and the Opponent's mark for the following goods and services:

Wood flooring, wood tile flooring, wood veneer, veneer for floors, parquet wood flooring; tiles of clay, glass, ceramic and earthenware for floor, wall and ceiling; floor panels. Clothing for men, women and children, namely, pants, sweatpants, dresses, skirts, shorts, jumpsuits, suits, vests, quilted vests, fishing vests, bandanas, ties, scarves, gloves, underwear, swimwear, pajamas, nightgowns, robes, socks, hosiery, belts (clothing); shoes, boots, athletic shoes, moccasins, sandals, slippers, boating shoes, waterproof footwear, fishing footwear; fishing waders; wallets, bifolds, namely a flat, folding pocketbook; passport cases; watches; eyeglasses, sunglasses, eyeglass cases, eyeglass frames and eyeglass chains; luggage, travel bags, duffel bags, satchels, messenger bags, tote bags, overnight bags; fishing equipment for outdoors, namely, rods, reels, fishing tackle, namely hooks, flies, nets, lines, floats and lures; artificial bait, buoys, gaffs, winging material for flies and jigs, spinners; rod cases; fly boxes; lure boxes; tackle boxes; fishing pole holders, including those worn on the body; knives, namely hunting knives and fishing knives; hunting rifles and shot guns, gun cases, gun belts, and powder flasks; shooting gloves; bed blankets, bed linen, bed sheets, bed spreads, pillows, pillow cases, pillow shams, comforters, padded blankets, duvets, duvet covers, curtains, draperies, dust ruffles; bath linen, bath towels, washcloths, bath rugs, textile wall hangings; after-shave lotions, after-shave balms, body cream, body oil, body powder, cologne, skin conditioners, hair conditioners, shaving cream, shaving foam, deodorants, antiperspirants, eau de parfum, eau de toilette, facial creams, shaving gel, shower gel, bath gel, perfume, potpourri, room fragrances, scented body spray, hair shampoo, skin cleansers, skin moisturizer, skin soap, sun creams, sun screen preparations, sun tan lotions; beverages, namely, beverages made of coffee; beverages made of tea; carbonated beverages; beer; alcoholic beverages, namely wine, rum and whiskey (the allowed applied for goods)

Providing recreational and sports facilities, namely sports arena facilities, athletic field facilities, golf courses, tennis courts, swimming pool facility; conducting sightseeing tours for others; boat cruises; rentals of boats and sailboats; boat chartering; arranging of tours and cruises, namely boat cruises; arranging safari expeditions; travel clubs; travel, excursion and cruise arrangement; marina services; boat storage; boathouse services; conducting fishing charters.

[84] As the Applicant has not met the legal onus upon it to show that there is no reasonable likelihood of confusion between the Mark and the Opponent's mark for the remaining goods, the application is refused for those goods.

[85] Accordingly the section 12(1)(d) ground is successful in part.

Section 16(3)(a) Ground of Opposition

[86] The Opponent has also pleaded that the Applicant is not the person entitled to registration pursuant to section 16(3)(a) on the basis that the Mark is confusing with the Opponent's HEMINGWAY'S trademark.

[87] Under this ground the Opponent must show that it and/or its predecessor in title had used the trademark HEMINGWAY'S in Canada prior to the Applicant's filing date of November 25, 2013 [section 16(3)(a) of the Act] as well as non-abandonment of its trademark at the date of advertisement of the Mark, namely April 6, 2016 [section 16(5) of the Act].

[88] The parties both made submissions regarding whether the Opponent had met its burden under this ground with respect to food, beverages and clothing. In view of my discussion above under the section 12(1)(d) ground, I do not consider it necessary to address this issue in detail. Suffice is to say that the Opponent has met its burden under this ground with respect to restaurant and bar services and the difference in material dates between this ground and the section 12(1)(d) ground does not have a significant impact on this ground. I am therefore satisfied that the Applicant has met the legal onus upon it to show that there is no reasonable likelihood of confusion between the Mark and the Opponent's mark for the allowed applied for goods and all of the applied for services. As the Applicant has not met its onus with respect to the remaining goods, the application is rejected for those goods.

[89] Accordingly the section 16(3)(a) ground is also successful in part.

Section 38(2)(d) ground of opposition

[90] The Opponent has also pleaded that the Mark is not distinctive. In order to satisfy its evidential burden, the Opponent must establish that as of the filing date of the opposition (*i.e.*

August 30, 2016), its HEMINGWAY'S trademark was known to such an extent it could negate the distinctiveness of the Mark [*Bojangles' International LLC v Bojangles Café Ltd*, 2006 FC 657 (CanLII)].

[91] The parties both made submissions regarding whether the Opponent had met its burden under this ground with respect to food, beverages and clothing. In view of my discussion above under the section 12(1)(d) ground, I do not consider it necessary to address this issue in detail.

[92] Suffice is to say that the Opponent has met its burden under this ground with respect to restaurant and bar services and the difference in material dates between this ground and the section 12(1)(d) ground does not have a significant impact on this ground. I am therefore satisfied that the Applicant has discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the HEMINGWAY'S mark for the allowed applied for goods and all of the applied for services.

[93] Accordingly, the section 38(2) ground of opposition is also successful in part.

DISPOSITION

[94] In view of the above, and pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application with respect to the following goods:

...shirts, polo shirts, t-shirts, sweatshirts, sweaters, jackets, coats, raincoats, leather jackets, hats,... waterproof and windproof coats, jackets, anoraks, hoods and tuques;

and I reject the opposition with respect to the remainder of the goods and services pursuant to section 38(12) of the Act.

Cindy R. Folz
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

SCHEDULE A

Application No. 1653460 – ERNEST HEMINGWAY

Goods

(1) Wood flooring, wood tile flooring, wood veneer, veneer for floors, parquet wood flooring; tiles of clay, glass, ceramic and earthenware for floor, wall and ceiling; floor panels. Clothing for men, women and children, namely, shirts, polo shirts, t-shirts, sweatshirts, sweaters, pants, sweatpants, dresses, skirts, shorts, jumpsuits, jackets, coats, raincoats, suits, leather jackets, vests, quilted vests, fishing vests, bandanas, hats, ties, scarves, gloves, underwear, swimwear, pajamas, nightgowns, robes, socks, hosiery, belts (clothing); shoes, boots, athletic shoes, moccasins, sandals, slippers, boating shoes, waterproof footwear, fishing footwear; fishing waders; waterproof and windproof coats, jackets, pants, anoraks, hoods and tuques; wallets, bifolds, namely a flat, folding pocketbook; passport cases; watches; eyeglasses, sunglasses, eyeglass cases, eyeglass frames and eyeglass chains; luggage, travel bags, duffel bags, satchels, messenger bags, tote bags, overnight bags; fishing equipment for outdoors, namely, rods, reels, fishing tackle, namely hooks, flies, nets, lines, floats and lures; artificial bait, buoys, gaffs, winging material for flies and jigs, spinners; rod cases; fly boxes; lure boxes; tackle boxes; fishing pole holders, including those worn on the body; knives, namely hunting knives and fishing knives; hunting rifles and shot guns, gun cases, gun belts, and powder flasks; shooting gloves; bed blankets, bed linen, bed sheets, bed spreads, pillows, pillow cases, pillow shams, comforters, padded blankets, duvets, duvet covers, curtains, draperies, dust ruffles; bath linen, bath towels, washcloths, bath rugs, textile wall hangings; after-shave lotions, after-shave balms, body cream, body oil, body powder, cologne, skin conditioners, hair conditioners, shaving cream, shaving foam, deodorants, antiperspirants, eau de parfum, eau de toilette, facial creams, shaving gel, shower gel, bath gel, perfume, potpourri, room fragrances, scented body spray, hair shampoo, skin cleansers, skin moisturizer, skin soap, sun creams, sun screen preparations, sun tan lotions; beverages, namely, beverages made of coffee; beverages made of tea; carbonated beverages; beer; alcoholic beverages, namely wine, rum and whiskey.

Services

(1) Providing recreational and sports facilities, namely sports arena facilities, athletic field facilities, golf courses, tennis courts, swimming pool facility; conducting sightseeing tours for others; boat cruises; rentals of boats and sailboats; boat chartering; arranging of tours and cruises, namely boat cruises; arranging safari expeditions; travel clubs; travel, excursion and cruise arrangement; marina services; boat storage; boathouse services; conducting fishing charters.

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

HEARING DATE 2020-12-09

APPEARANCES

| | |
|--------------------|-------------------|
| Colleen Morrison | For the Opponent |
| Adele J. Finlayson | For the Applicant |

AGENTS OF RECORD

| | |
|---|-------------------|
| Perley, Robertson, Hill & McDougall LLP | For the Opponent |
| Macera & Jarzyna, LLP | For the Applicant |