

LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 106

Date of Decision: 2021-05-31

IN THE MATTER OF AN OPPOSITION

Nia Wine Group Co., Ltd.

Opponent

and

North 42 Degrees Estate Winery Inc.

Applicant

1,785,974 for NORTH 42 DEGREES

Application

INTRODUCTION

[1] North 42 Degrees Estate Winery Inc. (the Applicant) has applied to register the trademark NORTH 42 DEGREES (the Mark) under application No. 1,785,974 (the Application). As last amended, the Application is based on use in association with the goods “wines” (the Goods) since 2013, and use in association with the services “operation of a winery” (the Services) since 2009.

[2] Nia Wine Group Co., Ltd (the Opponent) has opposed the Application, alleging that the Mark is not registrable on the basis that it is clearly descriptive and non-distinctive. The remaining grounds of opposition are based on technical challenges to the Application.

[3] For the following reasons, I find that the opposition should be rejected.

THE RECORD

[4] The Application for the Mark was filed on June 7, 2016 and was advertised for opposition purposes in the *Trademarks Journal* of February 8, 2017. On March 15, 2017, the Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). The grounds of opposition are based on sections 30(b), 30(i), 12(1)(b), and 2 of the Act. As 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 (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 before this date).

[5] On May 10, 2017, the Applicant filed and served a counter statement denying the grounds of opposition. Both parties submitted evidence and written representations, and were represented at a hearing.

OVERVIEW OF THE EVIDENCE

[6] The evidence of record is summarized below. Pertinent portions of the evidence are discussed further in the analysis of the grounds of opposition. In reaching my decision I have considered all the evidence in the file. However, only those portions of the evidence that are directly relevant to my findings are discussed.

The Opponent's evidence

[7] The Opponent filed the affidavit of Pei (Violet) Chi Yeh, sworn September 1, 2017. Ms. Yeh is a Director for the Opponent, and has held this position since 2013. Ms. Yeh's duties include supervising all marketing activities of the Opponent. Ms. Yeh indicates that she has access to all the historical marketing records for the business.

[8] Ms. Yeh states that the facts recited in her affidavit come from her personal knowledge, personal involvement in this matter, or upon information and belief. She declares that all facts and allegations contained in her affidavit are true to the best of her own knowledge and that all statements made on information and belief are believed to be true.

[9] Ms. Yeh provides limited information on the Opponent's business and its wine sold under the brand name NORTH 43°. Ms. Yeh also tries to introduce evidence relating to the Applicant's business and other (third party) wineries. Ms. Yeh was not cross-examined.

[10] The Opponent submits that as the Applicant did not seek an opportunity to test the Opponent's evidence by way of cross-examination, the Opponent's evidence is uncontested. While it is true that the Opponent elected to forego cross-examination, it may be that the Opponent has decided not to challenge the statements contained in the affidavit on the basis that they did not constitute proper evidence for the purpose of these proceedings. In my opinion, the lack of cross-examination does not prevent me from assessing the value or weight of the evidence introduced by Ms. Yeh [*HD Michigan Inc v The MPH Group Inc* (2004), 40 CPR (4th) 425].

Opponent's business

[11] Ms. Yeh states that the Opponent operates a winery in the Niagara region of Ontario and sells wine under several brand names in Canada and elsewhere, including the brand name NORTH 43° (paras 3, 4). Exhibit A is described as a "copy of an advertisement for wine sold in Ontario under the brand name NORTH 43° which prominently displays the brand name over a stylized map of the Niagara region on the bottle's front label". I confirm that NORTH 43° is prominently featured on the label for a 2013 Cabernet Franc.

[12] Ms. Yeh states that the Opponent's vineyard and winery are located at or near the 43rd line of constant latitude in the northern hemisphere or in the proximity of "43 degrees north", which location may also be identified as "north 43°" in shorthand. It is for this reason that the Opponent adopted NORTH 43° as a brand name for one of its wines (para 5).

[13] Ms. Yeh states that it is her understanding that the entire Niagara Region is located at or near the 43rd line of constant latitude in the northern hemisphere and that this latitude is similar to that of other famous wine regions in the world, including those in Italy and France (para 6). Ms. Yeh attaches as an exhibit to her affidavit a copy of a 2014 article from *Macleans.ca* in which the author "confirms my (her) understanding of this fact" (para 6, Exhibit B). However, I find that this article comprises hearsay, and that it does not satisfy the criteria of necessity and

reliability [*Reliant Web Hostings Inc v Tensing Holding BV*; 2012 TMOB 48 at para 35]. Accordingly, this article cannot be accepted for the truth of its contents [*Candrug Health Solutions Inc v Thorkelson* (2007), 60 CPR (4th) 35 (FC), reversed (2008), 64 CPR (4th) 431 (FCA)].

[14] Exhibit C is a copy of a letter from the Applicant to the Opponent demanding that the Opponent cease all use of NORTH 43° as a trademark on the grounds that it is allegedly confusing with the applied-for Mark in which it claims prior rights (para 7, Exhibit C).

Applicant's business

[15] Ms. Yeh states that based on her review of the Applicant's website, it appears that the Applicant also operates a vineyard and winery in Essex County, Ontario and sells wine. Ms. Yeh attaches screenshots of the Applicant's website which she believes to have been recorded by the Opponent's counsel in June 2016 and August 2017, and notes that in both screenshots, the Applicant invites the public to visit its winery "on the 42nd parallel" (para 10, Exhibits E, F). Ms. Yeh also attaches a copy of the corporate particulars of the Applicant's business retrieved by Opponent's counsel in March 2017 (para 9, Exhibit D).

[16] While I consider these printouts to be hearsay, I nonetheless find them to be admissible since was necessary for the Opponent to file it in support of its opposition and reliable since the Applicant, being a party, had an opportunity to refute the evidence relating to its own business and website.

Other wineries

[17] Ms. Yeh attaches as Exhibit G a screenshot of a page from the website *essexcountywineries.ca* which she believes to have been retrieved by Opponent's counsel in August 2017. Ms. Yeh states that the contents of the screenshot confirm her understanding that Essex County is located on the 42nd parallel and that, consequently, all its wineries are "equally distant from the equator as Italy, France and the great wine regions of California" (para 11). Ms. Yeh also provides a further printout from the website, listing 17 wineries in Essex County, including that of the Applicant (para 12, Exhibit H).

[18] The Opponent submits that these exhibits (Exhibits G, H) are hearsay. I agree, and find that they do not satisfy the criteria of necessity and reliability. Accordingly, these materials cannot be relied upon as evidence of the truth of their contents.

[19] Finally, while Ms. Yeh provides her opinion on the descriptiveness of the Mark, I have disregarded this portion of her evidence as ultimately it is up to the trier of fact to make this determination.

The Applicant's evidence

[20] The Applicant filed the affidavit of Suzanne Dajczak, sworn December 20, 2017, a founder, Vice President and Secretary of the Applicant. Ms. Dajczak's day to day activities in relation to the Applicant include overseeing the marketing and sales of products and services by the Applicant, including those products and services referenced in her affidavit (para 3).

[21] Ms. Dajczak provides evidence relating to the establishment and operation of the Applicant's vineyard, winery, and wine shop. Ms. Dajczak states that the Applicant started selling wine in Ontario in September 2012, and attaches a copy of the label then being used by the Applicant (para 6, Exhibit B). On cross-examination, Ms. Dajczak confirmed that the first bottle bearing the current logo was a 2011 Vintage sold in September 2012 (Q73-82).

[22] Ms. Dajczak also provides a chart setting out the product (type of wine such as Sauvignon Blanc, Riesling, etc), year of first sale in Canada, and approximate sales in Canada (para 7). On cross-examination, Ms. Dajczak acknowledged that the dates identified in the chart as "year of first sale in Canada" were actually the vintages of the wines, with the result that the dates of first sale would have been at least six months later (Q128-131). So, with respect to the entries that identify 2011 as the date of first sale, the first sales took place in September 2012 (Q122). Ms. Dajczak subsequently provided as an undertaking, a revised table with the date of first sale (month and year) for each of the listed varieties (Q133).

[23] Ms. Dajczak states that the Applicant's various wines have won awards and have received widespread acclaim and acknowledgement amongst members of the industry, the Canadian media and amongst consumers (para 8). On cross-examination, Ms. Dajczak provided particulars of awards that have been won by the winery (Q143-167).

[24] Ms. Dajczak states that the Applicant has had a website at *www.north42degrees.com* since 2012. The website describes the Applicant's business and wine products that are available for purchase directly from the Applicant's retail store and winery, from the provincially owned Liquor Control Board of Ontario (LCBO), and online (para 9). Exhibit D is a printout of the main page of the Applicant's website. Exhibit C10 contains screenshots of the current (December 2017) LCBO website where the Applicant's Pinot Noir, Riesling and Cabernet Sauvignon wines are being offered for sale and sold (para 8).

[25] Ms. Dajczak also provides information and representative examples of promotional initiatives and materials bearing the Mark used to promote the Applicant's Goods and Services (para 10, Exhibits E1-E3).

[26] Ms. Dajczak states that the Mark was chosen:

- a) To respect and honor the memories of my (her) father-in-law, whose farm is located on the 42nd parallel, and whose farm is the inspiration behind My Company (the Applicant), its products, and what it stands for;
- b) In Douglas Adams' book, *The Hitchhiker's Guide to the Galaxy*, 42 is the answer to the "ultimate" question; and
- c) 42 degrees is the angle (rounded to whole degrees) at which a rainbow appears.

[27] On cross-examination, Ms. Dajczak acknowledged that:

- Ms. Dajczak's father-in-law's land is still being farmed by her husband's family (Q106)
- The vineyard for the business is located at, on, or near that farm, which is associated with the address 130 County Road East in Colchester, Ontario (Q108)
- The farm is located in Essex County (Q109)
- In *The Hitchhiker's Guide to the Galaxy*, with respect to the references to 42 in that book, the word "degrees" or "north" is not significant (Q111)
- The word "north" has no significance when we are talking about the degrees of the angle of which a rainbow appears (Q114)

[28] Additional facts and admissions obtained during Ms. Dajczak's cross-examination are noted below:

- During cross-examination, counsel for the Opponent marked as exhibits four web printouts referencing different wineries and their products, namely: a printout from the website *saq.com* for Tenute Silvo Nardi, 43° (Q184-186); a printout from the website *saq.com* for Paul Jaboulet Aine Parallele 45 (Q190-192); a picture of the front and back side of a wine bottle labelled L50 (on the front) and 2016 LATITUDE 50 ROSE (on the back) from Gray Monk Estate Winery in British Columbia (Q193-197); and a printout from the website *saq.com* for Château Peyros Greenwich 43N 2010 (displaying an obscured product label so that the name of the wine is not legible) (Q198-202). I note that the printouts from the *saq.com* website are all dated 2018-04-13.
- Ms. Dajczak admitted that she was not familiar with the Tenute Silvo Nardi winery or the wine called 43° (Q187-188). While she was not familiar with the Paul Jaboulet winery, she believes a friend bought her the “Parallèle 45” wine years ago (Q191). Ms. Dajczak knew of Gray Monk Vineyard or winery, but not of that particular wine. Ms. Dajczak was also aware of the Château Peyros winery (Q198), but had no familiarity with the brand “43N” (Q201).
- Counsel for the Opponent marked as an exhibit a page counsel describes as a “screenshot from an Australian winery called 42 Degrees South” displaying a collection of wines that it promotes, and asked Ms. Dajczak if she was familiar with the winery. Ms. Dajczak admitted that she was not (Q203, 204). I note that the printout is undated and does not display any website address.
- Counsel for the Opponent stated that it was her understanding, based on her client’s evidence, that most grapes grow best in regions that are located at lines of latitude between 42 and 50 degrees north, and so most wineries are located in these regions. Counsel asked if Ms. Dajczak disagreed with this statement (Q218). Ms. Dajczak stated that there are wineries located at different latitudes around the world, north and south, outside of that, that she would consider successful.
- Counsel for the Opponent then read into the record paragraph 6 from the Yeh affidavit (set out above in paragraph 13), and asked if Ms. Dajczak disagreed with Ms. Yeh’s statement. Ms. Dajczak stated that it is correct that Niagara is located in around the 43rd

parallel. As for whether it is similar to that of other famous wine regions in the world, including those in Italy and France, Ms. Dajczak indicated that no, there are other regions in Italy that are not at the 43rd parallel. Southern France is the same in that it can go higher in terms of the latitude (Q219).

- Ms. Dajczak admitted that she expects her (the Applicant's) customers to understand that 42 Degrees North is a reference to the line of latitude at which the Applicant's farm or winery is located (Q223).

Reply evidence

[29] Reply evidence must be confined to matters in reply [section 54 of the *Trademarks Regulations* SOR/2018-227, and section 43 of the now repealed *Trade-Marks Regulations*, SOR/96-195].

[30] As evidence in reply, the Opponent filed the second affidavit of Pei (Violet) Chi Yeh, sworn October 12, 2018 (Second Yeh affidavit). The Second Yeh affidavit primarily consists of Ms. Yeh's replies to assertions made by Ms. Dajczak during her cross-examination, in particular those that relate to paragraph 6 of the First Yeh affidavit. Ms. Yeh also provides additional evidence on the temperate climates or "belts" located in both the northern and southern hemispheres where grapes grow best, along with screenshots from various websites that confirm her understanding.

[31] Ms. Yeh further states that her assertion (appearing in paragraph 6 of the First Yeh affidavit) that the 43rd line of constant latitude in the northern hemisphere is similar to that of other famous wine regions of the world, was a reference to the fact that this latitude is located in the centre of the northern grape growing belt. It also reflected the fact that the first wines exported by the Opponent under the brand NORTH 43° used juice from grapes grown in Italy at the 43rd line of constant latitude in the northern hemisphere.

[32] The Applicant submits that this evidence falls outside the bounds of reply evidence, constitutes "case-splitting" and should be disregarded.

[33] While this was the Applicant's cross-examination, I note that the cross-examination transcript does not constitute evidence of the Applicant to which the Opponent is entitled to answer by way of reply [*MCI Communications Corp v MCI Multinet Communications Inc.* (1995), 61 CPR (3d) 245 (TMOB)]. Section 54 of the Regulations (previously Rule 43) contemplates the filing of evidence strictly confined to matters in reply to the Applicant's evidence filed pursuant to Section 52 of the Regulations (previously Rule 42). I agree with the Applicant's position that in filing the second Yeh affidavit, the Opponent is splitting its case by seeking to rely on Section 54 of the Regulations to introduce evidence that should have been filed as part of its evidence in chief. Accordingly, I have disregarded the second Yeh affidavit.

ONUS AND BURDEN

[34] The Applicant bears the legal onus of establishing, on a balance of probabilities, that the Application complies with the requirements of the Act. However, there is 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 [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

ANALYSIS OF THE GROUNDS OF OPPOSITION

[35] As the Opponent has identified as a primary ground of opposition that the Mark is clearly descriptive of the place of origin for the Goods and Services, I will begin with this ground of opposition.

Ground of opposition under section 12(1)(b)

[36] The Opponent has pleaded that contrary to section 12(1)(b) of the Act, the Mark is clearly descriptive in the English language of the character of the goods and services identified in the Application or their place of origin in that the Applicant's vineyard and winery are located at or near the 42nd line of constant latitude in the northern hemisphere or in the proximity of "north 42 degrees" and the Applicant's wine originates from the same geographic region.

The law with respect to clear descriptiveness

[37] The material date with respect to a ground of opposition alleging a trademark is clearly descriptive or deceptively misdescriptive is the filing date of the application [*General House Wares Corp v Fiesta Barbeques Ltd* 2003 FC 1021].

[38] While the legal burden is upon an applicant to show that its trademark is registrable, there is an initial evidential burden upon an opponent in respect of this ground to adduce sufficient admissible evidence which, if believed, would support the truth of its allegations that the applied-for trademark is clearly descriptive or deceptively misdescriptive of the character or quality of the applicant's goods or their place of origin [12(1)(b) of the Act].

[39] The issue as to whether a trademark is clearly descriptive or deceptively misdescriptive must be considered from the point of view of the average purchaser of the associated goods or services. Character means a feature, trait or characteristic of the goods and services and "clearly" means "easy to understand, self-evident or plain" [*Drackett Co of Canada Ltd v American Home Products Corp* (1968), 55 CPR 29 (Ex Ct) at 34]. The Mark must not be carefully analyzed but must be considered in its entirety as a matter of immediate impression [*Wool Bureau of Canada Ltd v Registrar of Trade-marks* (1978), 40 CPR (2d) 25 (FCTD); *Atlantic Promotions Inc v Registrar of Trade-marks* (1984), 2 CPR (3d) 183 (FCTD)]. In other words, the trademark must not be considered in isolation, but rather in its full context in conjunction with the goods and services [*Ontario Teachers' Pension Plan Board v Canada* (2012), 2012 FCA 60]. Finally, one must apply common sense in making the determination about descriptiveness [*Neptune SA v Canada (Attorney General)* 2003 FCT 715].

[40] The purpose of the prohibition in section 12(1)(b) of the Act is to prevent any single trader from monopolizing a term that is clearly descriptive or common to the trade, thereby placing legitimate traders at a disadvantage [*Canadian Parking Equipment Ltd v Canada (Registrar of Trade-marks)* (1990), 34 CPR (3d) 154 (FCTD)].

[41] With respect to a trademark alleged to be clearly descriptive of the place of origin of the associated goods and services, a trademark will be clearly descriptive of the place of origin if it is

a geographic name and the goods and services originate from the location of the geographic name [*MC Imports Inc v AFOD Ltd*, 2016 FCA 60 at para 65].

The Opponent fails to meet its burden

[42] The Opponent takes the position that there is nothing in the wording of section 12(1)(b) of the Act which requires that a “place of origin” mean only the name of a specific city, region, country or any defined geographic place at all. In support, the Opponent cites *General Motors of Canada v Décarie Motors Inc*, 2000 CanLII 16083 (FCA) in which the Federal Court of Appeal held the trademark “DECARIE”, a reference to “Décarie Boulevard” in Montreal, to be unregistrable due to its geographic descriptiveness of a place of origin. The Opponent also cites the Registrar’s decision in *Jordan & Ste-Michelle Cellars Ltd v T.G. Bright & Co. Ltd.* (1982), 72 CPR (2d) 263 where the trademark THE WINERY was deemed descriptive of the place of origin for the applicant’s wine despite the fact that it was not the name of a definite geographic place.

[43] Citing *MC Imports, supra* the Opponent submits that once it is concluded that the trademark refers to a “place”, the focus of the analysis becomes the origin of the goods or services. If the goods or services originate from a place referred to by the trademark, then the trademark is clearly descriptive of the place of origin.

[44] I accept that the evidence establishes that the Applicant’s Goods and Services originate from a farm that is located along the 42nd parallel. In this regard, I note that the Yeh affidavit includes screenshots of pages from the Applicant’s website inviting visitors to visit the Applicant “on the 42nd parallel amidst Carolinian forests and Lake Erie breezes and enjoy our fine wines” (Exhibit E and F). The Applicant’s evidence also confirms the Applicant’s farm is located along the 42nd parallel (Dajczak affidavit, para 11; Q106-108).

[45] However, I do not agree that the approach in *MC Imports* can be applied in this case since the Mark is neither a geographic name referring to a place of origin nor is it even the name of a place. Rather, I find that in the absence of evidence to the contrary, the Mark would be seen by the average consumer, as a matter of immediate impression, as a geographical reference which alludes to a coordinate for a place or locality, but does not clearly describe a place or

“geographic region” in a way that is “easy to understand, self-evident, or plain”. Accordingly, I find this case to be distinguishable from the *General Motors of Canada, supra* and *Jordan & Ste-Michelle Cellars Ltd, supra* cases cited by the Opponent, where the trademarks at issue were plainly recognizable as places, namely a road or boulevard in Montreal (DECARIE), and a place where wine is made (THE WINERY), respectively.

[46] In *MC Imports*, portions of which are set out below, the Federal Court of Appeal considered the resort to be had to the perspective of the ordinary consumer when assessing whether a trademark is clearly descriptive:

a) whether the impugned trademark is a geographic name

[57] This may require resort to consumer perceptions where, as in *Atlantic Promotions*, the name of a geographic place (name or location) also has other meanings. For example, “Sandwich” is the name of a number of towns in the United States and the United Kingdom, but it is also a word referring to a common food item. Cattanach J. considered this question in *Atlantic Promotions*, stating that the primary meaning of the word to a person of “ordinary education and intelligence” (at page 196) dictates its meaning.

[58] I agree with this approach, but would caution that this first step does not mean that names of places not widely known to Canadians fall somehow outside the ambit of paragraph 12(1)(b)’s prohibition of clearly descriptive trademarks. This nature of inquiry is only relevant when there are multiple meanings to the word in question, not all of which are geographic. It must then be determined which meaning predominates. If, going back to my example, proper evidence establishes that the primary meaning of “Sandwich” does not refer to a geographic place, then such a trademark cannot be clearly descriptive or deceptively misdescriptive of place of origin.

[59] Further, where such an inquiry is necessary, the relevant ordinary consumer from whose perspective this question ought to be considered is the ordinary consumer of the products or services with which the Mark is associated.

...

[63] In brief, in a clearly descriptive case, the resort I describe to the perspective of the ordinary consumer (as defined at paragraph [59] above) is only meaningfully relevant when there is ambiguity whether the trademark actually refers to a place.

[47] The Opponent submits that there is no ambiguity about whether the Mark actually refers to a place as the words “north 42 degrees” are merely “informative, descriptive, or generic” as applied to wine, and are not likely to serve any purpose other than to inform prospective purchasers of the place of origin. The Opponent submits that the alternative meanings for the Mark presented by the Applicant, namely that in the book *The Hitchhiker’s Guide to the Galaxy*,

42 is the answer to the “ultimate” question, and that the 42nd degree is the angle (rounded to whole degrees) at which a rainbow appears, did not hold up at cross. In this regard, the Opponent notes Ms. Dajczak’s admissions that in *The Hitchhiker’s Guide to the Galaxy*, for the references to 42 in that book, the word “degrees” or “north” is not significant (Q111), and that the word “north” has no significance when we are talking about the degrees of the angle of which a rainbow appears (Q114). The Opponent submits that as a result, there is no ambiguity about whether the Mark actually refers to a place, and that the only conclusion supported by the evidence is that the Mark is “clearly descriptive... in the English... language of the character or quality of the wares or services in association with which it is used or proposed to be used... or of their place of origin”.

[48] I agree that it is unlikely that the alternative meanings for the Mark put forward by the Applicant would be recognized by the ordinary consumer of the Goods and Services, particularly since both meanings only apply to the number 42 and not NORTH 42 DEGREES. However, I disagree that there is no ambiguity about whether the Mark actually refers to a place. On the contrary, I find that at best, the Mark alludes to a geographical coordinate for a place or locality. The Mark suggests a direction or geographical coordinate, but falls short of identifying or naming a place *per se*, which makes it ambiguous.

[49] I would add that even I were to find that the Mark clearly describes a line of latitude, namely the 42nd parallel of latitude in the Northern hemisphere, I do not find the evidence sufficient to establish that the average consumer would, as a matter of immediate impression, easily and plainly understand this line of latitude to describe the geographic region asserted by Ms. Pei, namely the “Niagara region located at or near the 43rd line of constant latitude in the northern hemisphere, which latitude is similar to that of other famous wine regions in the world, including those in Italy in France” (para 6, First Pei affidavit) and/or or Essex County, which is located on the 42nd parallel such that “all its wineries are equally distant from the equator as Italy, France and the great wine regions of California” (para 11, First Pei affidavit).

[50] As an aside, I note that following the hearing, the Opponent forwarded a copy of the decision of the Federal Court in *Hidden Bench Vineyards & Winery Inc v Locust Lane Estate Winery Corp* 2021 FC 156 (*Hidden Bench*). The Opponent submitted that this decision, which

issued after the hearing in the present case, addressed similar issues in an action that sought to enforce exclusive trademark rights in a brand descriptive of place of origin. The Applicant sought leave from the Registrar to make submissions on this case, which was granted by the Office. Subsequently, additional representations were received from both parties.

[51] *Hidden Bench* involved two wineries operating on adjacent properties on the same road, “Locust Lane”, in Beamsville, Ontario. The applicant had sold wines since 2003, some of which were labelled with the term “Locust Lane”. The respondent was founded in 2019 and used the name “Locust Lane Estate Winery” to label and market its wine. The applicant claimed that it owned the unregistered trademark LOCUST LANE and that the respondent’s use of the term “Locust Lane” caused confusion with its goods, services, and business.

[52] The first main issue addressed by the Court was whether the applicant held a valid and enforceable trademark in the geographic name “Locust Lane”. In finding that the applicant met this threshold requirement, the Court noted that in order to be a valid trademark, a mark need only be used for the purpose of distinguishing goods and services from those of others. A trademark need not be “distinctive” in order to be a valid trademark, as the question of distinctiveness becomes relevant only when determining the degree of protection to which a mark is entitled. The Court then considered whether the applicant’s mark possessed sufficient distinctiveness to establish the goodwill necessary to succeed in a passing off claim. In its analysis, the Court acknowledged that *MC Imports* is a case about registrability under section 12, but nevertheless found that its reasoning guided consideration of the distinctiveness factor in assessing whether the applicant had established the goodwill necessary to support its claim for passing off.

[53] I do not consider the *Hidden Bench* decision to be of particular assistance since the issues canvassed by the Court differ from those in the present case. Further, as discussed above, I do not consider the applied-for Mark to be clearly descriptive. As such, I have not considered whether the evidence establishes that the Mark had acquired secondary meaning, nor has a claim under section 12(2) even been made by the Applicant. Finally, in *Hidden Bench*, the trademark at issue (LOCUST LANE) is unambiguously the name of a road.

[54] As the Opponent has not met its evidential burden, it is unnecessary to determine whether the Applicant has met its legal onus. Accordingly, this ground of opposition is rejected.

Ground of opposition under section 2

[55] The Opponent has pleaded that the Mark is not distinctive as the Mark “does not actually distinguish the Goods and Services in association with which it has allegedly been used by the Applicant from the goods and services of others which originate from the same geographic region, including the goods of the Opponent, nor is it adapted so as to distinguish the Applicant’s Goods and Services in view of the fact that the Mark is descriptive of the geographic origin of the identified Goods and Services”.

[56] The material date to assess this ground of opposition is the filing date of the statement of opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

[57] I find that this ground of opposition consists of two prongs. With respect to the second prong of the non-distinctiveness ground which is based on descriptiveness, I am of the view that the Opponent has failed to meet its evidential burden of showing that the Mark is clearly descriptive of the applied for Goods and Services for the same reasons as those set out under the section 12(1)(b) analysis. Even though the material date for the distinctiveness ground of opposition falls on a later date, the different dates do not result in a different outcome in this case.

[58] With respect to the Opponent’s argument that the Mark does not distinguish the Goods and Services of the Applicant from those of others because they all use trademarks including a similar latitude designation, including that of the Opponent, as discussed in the 12(1)(b) analysis, I find that the evidence fails to show that the Mark holds a commonly understood meaning relating to or identifying the geographic region of the Goods and Services.

[59] The Opponent’s evidence attempts to identify trademarks associated with wines belonging both to the Opponent and third parties. With respect to the Opponent’s wine, Ms. Pei states that the Opponent operates a winery in the Niagara region of Ontario and sells wine in Canada under the brand name NORTH 43°, and includes an undated advertisement, from an

unnamed publication, showing a wine bottle featuring NORTH 43° on the label. I note that the Opponent has provided no additional information on this product, such as its availability at the material date, sales information, and additional advertising and promotional information that would indicate the extent to which this wine may have become known in Canada.

[60] With respect to third party wines, during the Dajczak cross-examination, the Opponent marked as exhibits printouts (all printed 2018-04-13) from the website *saq.com* for the following products: Tenute Silvo Nardi, 43°; Paul Jaboulet Ainé Parallèle 45; and Château Peyros Greenwich 43N 2010 (Exhibits 1, 2, and 4) .

[61] Ms. Dajczak admitted that she was not familiar with the Tenute Silvo Nardi winery or the wine called 43° (Q187-188). She was not familiar with the Paul Jaboulet winery, however she believes a friend bought her the “Parallèle 45” wine years ago (Q191). She was also aware of the Château Peyros winery (Q198), but had no familiarity with the brand “43 North” (Q201). However, in any event, I note that these printouts comprise hearsay, and therefore cannot be submitted for the truth of their contents. Also, there is no evidence as to the extent these wines may have become known in Canada.

[62] During the Dajczak cross-examination, the Opponent also marked as an exhibit undated photographs of the front and back side of a wine bottle labelled L50 / 2016 LATITUDE 50 ROSE (Q193-197) by Gray Monk Vineyard Estate Winery (Exhibit 3). While Ms. Dajczak was aware of this winery, she was not familiar with this particular wine. Notwithstanding the hearsay issue, there is no evidence as to the extent this wine may have become known in Canada.

[63] During the Dajczak cross-examination, the Opponent also marked as an exhibit a page counsel describes as a “screenshot from an Australian winery called 42 Degrees South” displaying a collection of wines bearing the label “42°S” (Exhibit 5). Ms. Dajczak admitted that she was not familiar with this winery (Q203, 204). Notwithstanding the hearsay issue, there is no evidence that this wine has ever been available in Canada or has become known to any extent.

[64] Given that the above evidence falls short of establishing that any of the above-noted wines had become known in Canada to any extent or that the use of geographical coordinates similar to the Mark are common to the trade, I find that it does not assist the Opponent in

meeting its evidential burden with respect to its allegation that the Mark is not distinctive in Canada as others have also used similar trademarks to indicate a similar geographic region.

[65] Based on the foregoing, I find that the Opponent has not met its evidential burden under this ground. Accordingly, this ground of opposition is rejected.

Ground of opposition under section 30(b)

[66] The Opponent has pleaded that that Application does not conform to the requirement of section 30(b) in that the Applicant had not used the Mark as a trademark in Canada, within the meaning of section 4, as of the claimed dates of first use, namely 2007 for the operation of a vineyard, 2009 for the operation of a winery, and 2013 for wine, and has not identified all predecessors in title.

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

[68] At the outset, I note that while the evidence establishes that the Applicant underwent a change of name from “North 42 Estate Winery Inc.” to “North 42 Degrees Estate Winery Inc.” on December 31, 2011, there is no evidence to suggest that there were any predecessors in title (Yeh affidavit, Exhibit D; Dajczak affidavit, para 4, Exhibits A1 and A2).

[69] Further, as the Applicant deleted the service “operation of a vineyard” from the Application by way of letter dated January 19, 2021, it will not be included in my analysis of this ground of opposition.

[70] The initial burden on an opponent is light respecting the issue of non-conformity with section 30(b) of the Act, because the facts regarding an applicant’s first use are particularly within the knowledge of an applicant [*Tune Masters v Mr P’s Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB)]. This burden can be met by reference not only to the opponent’s evidence but also to the applicant’s evidence [*Labatt Brewing Co Ltd v Molson Breweries, A Partnership* (1996), 68 CPR (3d) 216 (FCTD)]. However, an opponent may only successfully rely on the applicant’s evidence to meet its initial burden if the opponent shows that the applicant’s evidence puts into issue the claims set forth in the applicant’s application

[*Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd*, 2014 FC 323 at paras 30-38].

[71] If an opponent succeeds in discharging its initial burden, then the applicant must, in response, substantiate its use claim. However, an applicant is under no obligation to do so if its use claim is not first put into issue by the opponent meeting its initial burden [*Masterfile Corporation v Mohib S Ebrahim*, 2011 TMOB 85].

[72] In this case, the Opponent relies primarily on evidence set out in the Dajczak affidavit and cross-examination to try to meet its burden. Portions of the Opponent’s written submissions on this ground are reproduced below:

67. In the subject trademark application, the Applicant claims to have been using the trademark for the operation of a winery since 2009. However, the Applicant admitted in cross-examination that it had no sales prior to 2012 and that it used the degree symbol (ie. °) rather than the word “degree” in its marketing materials from 2009 until the Applicant changed its corporate name in 2011.

68. Finally, in the subject trademark application, the Applicant claims to have been using the Applied-for Mark for wine since 2013. However, the Applicant’s evidence demonstrates that the Applicant has consistently used the words “NORTH 42 DEGREES ESTATE WINERY” as its trademark on all packaging since September 2012. On cross-examination, the Applicant did not identify any instance where it ever used the Applied-for-Mark, namely “NORTH 42 DEGREES”, as a trademark in any packaging or other promotional material at the point of sale without the additional words “ESTATE WINERY”.

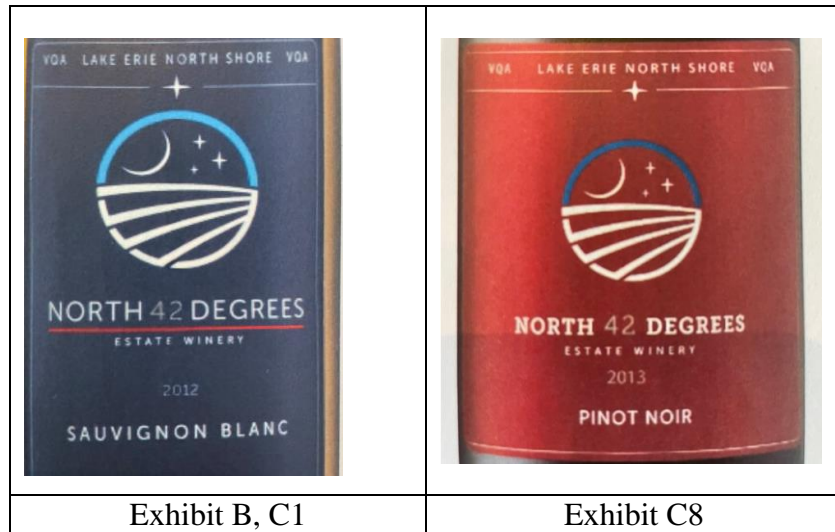
69. In sum, there is no evidence that the Applied-for-Mark has been used as a trademark in compliance with section 4 of the Act for the identified goods and services as of the dates claimed in the subject trademark application. Instead, there is evidence from the Applicant which is inconsistent with or flatly contradicts the claimed dates of first use.

[73] In considering whether the display of a trademark constitutes display of the trademark as registered (or in this case, the mark as applied-for), the question to be asked is whether the trademark has been displayed in such a way that it did not lose its identity and remained recognizable, in spite of the differences between the form in which it was registered and the form in which it was used [*Canada (Registrar of Trade Marks) v Cie internationale pour l’informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA)]. In deciding this issue, one must look to see whether the “dominant features” of the registered trademark have been

preserved [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. The assessment as to which elements are the dominant features and whether the deviation is minor enough to permit a finding of use of the trademark as registered is a question of fact to be determined on a case-by-case basis. If a trademark is used in combination with additional words or features, use will be considered when the public, as a matter of first impression, would perceive the mark as being used *per se* [*Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB)].

[74] With respect to the Applicant's admission that it used the degree symbol (°) rather than the word "degree" on signage displayed at the winery when it opened, such that the applied for mark would have appeared as "NORTH 42° (Q52-57), I find that this would not result in a loss of identity and the Mark would remain recognizable as the "DEGREE/S" element is simply the conventional symbol for the word. Regarding the Applicant's admission that it had no sales prior to 2012, I note that sales are not required in order for there to be use in association with services, and Ms. Dajczak, in her affidavit, indicates that the Applicant has operated a winery "since 2009 in association with the trademark NORTH 42 DEGREES, the winery being regularly open to the public and customers for free or paid tours..." (emphasis added).

[75] With respect to the Opponent's submission that the Applicant has consistently used the words "NORTH 42 DEGREES ESTATE WINERY" as its trademark on all packaging since September 2012, I agree that with very limited exceptions, the Dajczak affidavit consistently shows use on wine labels and promotional materials of NORTH 42 DEGREES ESTATE WINERY in the following general variations:



[76] While the Mark consistently appears with the additional words “ESTATE WINERY”, I find that these words are not so substantial that the Mark NORTH 42 DEGREES is no longer recognizable, as I consider the words “ESTATE WINERY” to hold a suggestive or descriptive connotation (of the type or kind of winery). I also note that the sizing (much smaller) and placement of these additional words (below NORTH 42 DEGREES) further diminishes any perceived significance. Accordingly, the “dominant features” of the Mark have been preserved such that the public would perceive the Mark *per se* as being used.

[77] Based on the foregoing, I find that the Opponent has not discharged its burden under section 30(b) of the Act. Accordingly, this ground of opposition is rejected.

Ground of opposition under section 30(i)

[78] The Opponent has pleaded that the Application does not conform to the requirement of section 30(i) in that the Applicant “could not have been satisfied, at the date of filing the Application and any other relevant date, that it was entitled to use the Mark as a trademark in Canada in association with the goods and services identified in the application since the Applicant was aware that the Mark is descriptive of the geographic origin of the identified goods and services.”

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

[80] In its written argument, the Opponent submits the Applicant has admitted that the Applicant's business, including its winery and vineyards, is located at "42 degrees north" and that it expects its customers to understand that the mark is a reference to the fact that its goods and services originate from "42 degrees north".

[81] Section 30(i) of the Act requires that an applicant declare itself satisfied that it is entitled to use the applied-for mark, as has been done in this case. Section 30(i) is not a catch all clause but it can be used as a ground of opposition if fraud is alleged on the part of the applicant or if specific federal statutory provisions prevent the registration of the mark applied for [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 CPR (2d) 152 (TMOB) at 155 and *Canada Post Corporation v. Registrar of Trade-marks* (1991), 40 CPR (3d) 221].

[82] As I have found that the Opponent has failed to meet its evidential burden with respect to its allegation that the Mark is clearly descriptive, I likewise find that the Opponent fails to meet its evidential burden that the Applicant has acted in bad faith applying for this Application which the Opponent alleges is for a clearly descriptive trademark. Further, there is no prohibition on the use of a descriptive trademark.

[83] In its written argument, the Opponent further submits that the Applicant "could not in good faith claim exclusive rights in a mark that it expected customers to regard as descriptive of the place from which the goods and service originate. Instead, the Application was filed solely to support the demand letter sent to the Opponent on the filing date in an attempt to unduly deprive the Opponent of the opportunity to use "north 43 degrees" as a brand name to describe its own goods as originating from a similar place".

[84] However, this issue was not raised in the statement of opposition. As such, I am precluded from considering it. Where an opponent has pleaded that the application fails to comply with a section of the Act based on a particular set of circumstances, it is not permissible to refuse it on the basis that it does not comply with that section of the Act for reasons different

than those pleaded [*Le Massif Inc v Station Touristique Massif du Sud (1993) Inc* (2011), 95 CPR (4th) 249 (FC)].

[85] Based on the foregoing, I find that the Opponent has failed to meet its initial evidential burden. Accordingly, the section 30(i) ground of opposition is rejected.

DISPOSITION

[86] In view of the above, pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(12) of the Act.

Jennifer Galeano
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE 2021-02-04

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