

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

> Citation: 2021 TMOB 191 Date of Decision: 2021-08-30

IN THE MATTER OF AN OPPOSITION

Churchill Brewing Corp.

Opponent

and

Prairie Baard Corp.

Applicant

1,816,910 for Prairie Baard Logo

Application

[1] Churchill Brewing Corp. (the Opponent) opposes an application for registration of the trademark Prairie Baard Logo below (the Mark) filed by Prairie Baard Corp. (the Applicant).



[2] For the reasons that follow, I reject the opposition.

THE RECORD

[3] On January 5, 2017, the Applicant filed the application for the Mark based on its use of the Mark in Canada with beer since at least as early as May 2016 and merchandise, namely, baseball caps and t-shirts since at least as early as October 2016. The application was subsequently amended to include a claim to use by the "applicant or the applicant's predecessor in title (Graham DeLaet)".

[4] The application was advertised on February 14, 2018 in the *Trademarks Journal*.

[5] On February 28, 2018, the Opponent filed a statement of opposition. The grounds of opposition pleaded are based on sections 30(b), 30(i), 16(1)(a) (entitlement), 2 (distinctiveness) and 12(1)(d) (registrability) of the *Trademarks Act*, RSC 1985, c T-13 (the Act). All references in this decision are to the Act as amended on June 17, 2019, with the exception of references to the grounds of opposition which refer to the Act before it was amended.

[6] At the hearing, the Opponent withdrew the ground of opposition based on section 30(i) of the Act. The sections 12(1)(d), 16(1)(a) and distinctiveness grounds of opposition are based on the Opponent's allegations of confusion between the Mark and its Churchill Logo Trademark registered and used in Canada with goods and services including beer and the operation of a brewery. The section 30(b) ground of opposition alleges that the Applicant has not used the Mark since the dates of first use claimed in the application (ie) May 2016 for beer and October 2016 for merchandise, namely, baseball caps and t-shirts.

[7] The Opponent filed as its evidence the affidavit of Ryan Peet and was subsequently granted leave to file the affidavit of Danielle Lepine. The Applicant filed as its evidence the affidavit of David Corelli and was subsequently granted leave to file a second affidavit of Mr. Corelli. Both parties filed written arguments and attended a hearing.

EVIDENTIARY BURDEN

[8] The legal onus is on an applicant to show that the application complies with the provisions of the Act. However, there is an initial evidential burden on an opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged

2

to support each ground of opposition exist. Once this initial burden is met, an applicant must satisfy the Registrar, on a balance of probabilities, that the particular grounds of opposition do not prevent the registration of the applied-for trademark [*Joseph E Seagram & Sons Ltd v Seagram Real Estate Ltd* (1984), 3 CPR (3d) 325 (TMOB); *Christian Dior SA v Dion Neckwear Ltd*, 2002 FCA 29].

ANALYSIS OF THE GROUNDS OF OPPOSITION

Section 30(b) Ground of Opposition

[9] The Opponent pleads that the application does not comply with section 30(b) of the Act because the Applicant had not used the Mark in Canada as of the dates of first use claimed in the application (which are interpreted as May 31, 2016 for beer and October 31, 2016 for merchandise, namely baseball caps and t-shirts).

[10] Compliance with section 30(b) requires that a trademark be used continuously in the normal course of trade from the date of first use claimed to the filing date of the application [*Benson & Hedges (Canada) Ltd v Labatt Brewing Co* (1996), 67 CPR (3d) 258 (FCTD); *Ivy Lea Shirt Co v Muskoka Fine Watercraft & Supply Co*, 2001 FCT 253]. Compliance of the application as amended is assessed at the filing date [see *Georgia-Pacific Corporation v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) which provides that section 30 grounds of opposition are assessed as of the filing date and *Eaton Williams (Millibank) Ltd v Nortec Air Conditioning Industries Ltd* (1982), 73 CPR (2d) 70 (TMOB) which provides that compliance of the amended application is assessed].

[11] An opponent's initial burden with respect to section 30(b) is a lighter one, given that the relevant information regarding use is more readily available to the applicant [*Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB)]. To meet its evidential burden, an opponent must show that an applicant's evidence is clearly inconsistent with the claimed date of first use or raises doubt as to its veracity [*Ivy Lea Shirt Co v Muskoka Fine Watercraft & Supply Co, supra*; *Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd*, 2014 FC 323 at paras 33-38]. If an opponent succeeds in discharging its initial evidential burden, then an applicant must, in response, substantiate its use claim.

[12] After the Opponent filed evidence showing that the Applicant was incorporated after the May 31, 2016 date of first use claimed in the application (Lepine affidavit), the Applicant amended the application to include a claim that "the applicant or the applicant's predecessor in title (Graham DeLaet) has/have used the trademark in association with the goods".

[13] The Applicant filed as its evidence the affidavit of David Corelli, the Chief Strategy Officer of SportBox Inc. dba SBX Group ("SportBox") dated December 17, 2018 (Corelli affidavit). Mr. Corelli explains that SportBox is a marketing agency that works with athletes and sports personalities to help them launch business ventures (para 2). Graham DeLaet, the Canadian PGA Tour player, retains SportBox to provide corporate and marketing services in connection with the manufacture and sale of the Applicant's beer and related goods (para 2). Mr. Corelli states the following in the Corelli affidavit:

Para

3	In my role as Chief Strategy Officer of SportBox and by virtue of SportBox's relationship with Mr. DeLaet and [the Applicant], I am responsible for managing intellectual property protection for [the Applicant] including domestic and international trademarks. I have access to the books and records of [the Applicant] relevant to the matters covered herein. By virtue of my position and duties with SportBox and by virtue of SportBox's relationship with Mr. DeLaet and [the Applicant], I am also familiar with the ownership and licensing of [the Applicant's] trademarks, and the steps that [the Applicant] takes to control the character and quality of its trademarks under license.
4	By virtue of my role with SportBox and SportBox's relationship with Mr DeLaet and [the Applicant] as detailed above and throughout my Affidavit, I have knowledge of the facts set forth herein and the documents filed herewith. The facts set forth herein and the documents filed herewith are known personally to me or have been obtained from the files of SportBox and [the Applicant] which are kept in the ordinary course of business.
11	effective May 1, 2016 all right, title and interest of Mr. DeLaet in and to the [Mark] were assigned to [the Applicant]. Since May 1, 2016, [the Applicant] is and has been the owner of the [Mark].

[14] After the Opponent filed its evidence showing that the Applicant was only incorporated on June 21, 2016 (Lepine affidavit), Mr. Corelli filed a second affidavit dated December 23, 2019 (Second Corelli affidavit) including the statements below:

4

4	In the 2018 Affidavit, I described transactions of beer [with the Mark] under license, and the assignment of that license from Mr. DeLaet to [the Applicant].
5	Paragraph 11 of the 2018 Affidavit contained an error. I said in that Affidavit that all right, title and interest of Mr. DeLaet in and to the [Mark] were assigned to [the Applicant] effective May 1, 2016, and that since May 1, 2016 [the Applicant] is and has been the owner of the [Mark]
	since May 1, 2016, [the Applicant] is and has been the owner of the [Mark].
	That date is incorrect. The assignment took place on July 1, 2016.

[15] In this case, because the application was amended to claim use by a predecessor-in-title, Graham DeLaet, even though the Applicant's evidence regarding the error in the assignment date is vague at best, I find that the Opponent does not meet its evidential burden. Mr. Corelli attests that the Mark has been used continuously (Corelli affidavit, paras 6-8). While the Applicant has not filed invoices showing sales of beer as of May 31, 2016, there is documentary evidence supporting Mr. Corelli's assertion. At Exhibit E of Mr. Corelli's affdiavit there is an advertisement for a "Beer Launch and Meet & Greet with Graham DeLaet" on May 25 and May 26 in Saskatchewan and Calgary. Further, there are several articles which reference the launch of the PRAIRIE BAARD brand and include pictures of beer cans featuring the Mark in publications dated prior to May 31, 2016 (Corelli affidavit, Exhibit E). Finally, while the beer is brewed by Bomber Brewing, the evidence is that Mr. DeLaet entered in to a License Agreement dated December 29, 2015 whereby Bomber Brewing agreed to submit the licensed products to him for testing and quality control and not to depart from his quality standards (Corelli affidavit, paras 9-12) and that this license agreement was subsequently amended to include the Applicant as a licensor (second Corelli affidavit, para 6).

[16] As I have found that the Opponent fails to meet its evidential burden, this ground of opposition is rejected.

Section 12(1)(d) Ground of Opposition

[17] The Opponent pleads that the Mark is not registrable under section 12(1)(d) of the Act, as it is confusing with the Opponent's trademark registration No. TMA989,160 for the Churchill Logo Trademark:

Para

	Goods
CHURCHILL BREWING CO.	(1) Alcoholic beverages, namely distilled spirits, namely, vodka, gin, tequila, rum and whiskey; ciders and alcohol based coolers; non-alcoholic beverages, namely, alcoholic beer flavored beverages, non-alcoholic beverages containing fruit juices, non-alcoholic carbonated beverages, non- alcoholic coffee based beverages, fruit juices, fruit flavored beverages; bags, namely, cooler bags, shoulder bags, golf bags, briefcases, back packs, tote bags and sports bags; novelty items, namely, posters, key chains, coasters, watches, decals, sunglasses, belt buckles, ornamental pins, playing cards;
	(2) Alcoholic beverages, namely beer.
	Services
	(1) Custom beer brewing services for others; restaurant, bar and lounge services; operation of a winery and distillery; organizing beer and distilled spirit tastings; operation of a retail liquor store;
	(2) Operation of a brewery; operation of a website providing information to the public in the area of alcoholic beverages;

[18] The material date for this ground of opposition is the date of this decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)].

[19] As the registration is extant, the Opponent has met its initial evidential burden with respect to this ground of opposition [see *Quaker Oats Co of Canada Ltd v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB) regarding the Registrar's discretion to check the register in the context of a section 12(1)(d) ground of opposition]. As a result, the Applicant must prove on a balance of probabilities that there is no reasonable likelihood of confusion between the Mark and the Opponent's trademark.

[20] The test for confusion is outlined in section 6(2) of the Act, which stipulates that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same

area would likely lead to the inference that the goods or services associated with each of those trademarks are manufactured, sold, performed or leased by the same person.

[21] Some of the surrounding circumstances to be taken into consideration when assessing the likelihood of confusion between two trademarks are set out in section 6(5) of the Act: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time the trademarks have been in use; (c) the nature of the goods, services, or business; (d) the nature of the trade; and (e) the degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them. These criteria are not exhaustive and it is not necessary to give each one of them equal weight [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23; *Mattel USA Inc v 3894207 Canada Inc*, 2006 SCC 22; *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27].

[22] The test for confusion is set out in *Veuve Clicquot, supra*, at paragraph 20:

The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees the [Applicant's mark], at a time when he or she has no more than an imperfect recollection of the [Opponent's] trademarks, and does not pause to give the matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks.

Degree of resemblance

[23] In most instances, the degree of resemblance between the trademarks at issue is likely to have the greatest effect on the confusion analysis [*Masterpiece, supra* at para 49]. One must consider the degree of resemblance between the marks in appearance, sound and ideas suggested. However, it is not the proper approach to set the trademarks side by side and carefully examine them to find similarities and differences; each trademark must be considered as a whole [*Veuve Clicquot, supra*].

[24] In the present case, the Opponent submits that the most striking feature of both marks is a beard made of hops and that there is a high degree of resemblance between the marks as there is no evidence of any other trademarks comprised of a hops beard design, either in the Trademarks Office database or in the marketplace (Opponent's written submissions, para 35).

[25] The similarity between the Mark and the Opponent's registered Churchill Logo Trademark arises from the fact that both marks feature a a hops berry which forms a beard. In Exhibit E of the Corelli affidavit, printouts of third party publications include the following statements: "the beer's logo features a prominent beard that resembles a hop, which is a flower often used to flavour beer" and "DeLaet explained the name of the beer is a tribute to his iconic facial hair and also his European heritage, as "baard" is Dutch for beard".

[26] Even so, when the parties' marks are considered as a whole and as a matter of first impression to a consumer somewhat in a hurry, the overall visual impression of the marks is more different than alike. The striking features of the Opponent's registered trademark include an illustration of a man's face which includes not only a beard consisting of a hops berry but also a prominent hat, facial features and the words CHURCHILL BREWING CO. In contrast, the Mark consists primarily of a hops berry which consumers may recognize as having a beard shape with some small flourishes at the top (the leaves and grass piece sticking out at the side).

[27] Further, there is no similarity between the parties' marks when sounded. In terms of idea suggested, as a matter of first impression to a consumer somewhat in a hurry, the Opponent's registered trademark suggests beer made by CHURCHILL BREWING CO. along with a depiction of a man in a old-time manner including a beard made from a hops berry. In contrast, the Mark consists primarily of a hops berry, and given its beard shape particularly in view of the top of the berry which includes a moustache shape and may suggest a hops berry or a hops berry forming a beard.

[28] In *Diageo Canada Inc v Heaven Hill Distilleries, Inc*, 2017 FC 571, the Federal Court assessed the likelihood of confusion between the Admiral Nelson character and Diageo's Captain Morgan registered trademarks, both of which were associated with rum products. The court noted (at paragraph 127):

Moreover, the degree of resemblance between the Admiral Nelson character and Diageo's registered trademarks (other than TMA864,267) is such that, as a matter of first impression, a somewhat hurried consumer, with an imperfect recollection of the CAPTAIN MORGAN trademarks who is ordinarily cautious but does not pause to examine closely the similarities or differences between the trademarks or trade names, would likely be confused in purchasing a bottle of ADMIRAL NELSON'S rum, thinking it to be a bottle of CAPTAIN MORGAN rum. This conclusion is supported by the findings in the Corbin report as discussed above; it is also supported by the testimony of Andrew Knight, Diageo's Director of Planning and Insights, who testified that: "an alcohol purchase is a very small part of a consumer's life, and they tend to make the decision quite quickly and don't have that much thought in it."

[29] While acknowledging that there was little scope for confusion between the marks when spoken, the Court considered that there was visual confusion between the marks from the perspective of the average consumer who would not stop to examine closely the points of similarity or difference between the marks [*Diageo, supra*, at paragraph 133].

[30] In this case, I consider that the average consumer of the Goods would similarly not stop to examine closely the point of similarity between the parties' marks, namely the hops berry beard. When considered in their entirety, as a matter of first impression, the parties' marks bear little resemblance to one another in sound and idea suggested and only have some resemblance in appearance. Importantly, the differences between the trademarks in appearance result in a different overall visual appearance and idea suggested.

Inherent distinctiveness

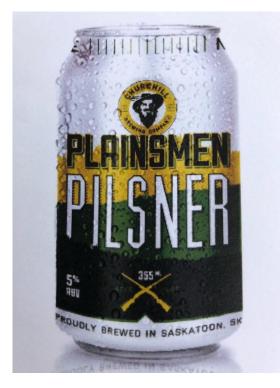
[31] Both parties' trademarks possess inherent distinctiveness in that they both include very distinctive design components. To the extent that the inherent distinctiveness of the trademarks is reduced because the distinctive designs include hops berries which are used to flavour beer, the distinctiveness of each party's trademark would be reduced by a similar amount. Finally, the words CHURCHILL BREWING CO. only add some inherent distinctiveness to the Opponent's trademark, because BREWING CO. is descriptive and CHURCHILL is a river in Saskatchewan. At Exhibit A to the affidavit of Mr. Peet, the Opponent's Marketing Officer, printouts of the Opponent's website page "About Churchill Brewing Company" state "Our craft beers are batch brewed with no preservatives or additives, cold filtered and unpasteurized, leaving the beer as pure as the crisp waters of the Churchill."

Extent known and length of time the trademarks have been in use

[32] The Opponent's registered trademark is the Churchill Logo Trademark set out below:



[33] The Opponent's evidence primarily shows the use of the following design trademark (the CHURCHILL Circle Logo Trademark) on the beer cans and in much of the advertising in Mr. Peet's affidavit. This design, which is shown on the beer can below, features the words CHURCHILL BREWING COMPANY appearing in a circle around the depiction of the man's face with a hops berry beard (in contrast with the Opponent's registered trademark where CHURCHILL BREWING CO. appears in a banner along the bottom).



[34] I find that the use of the Churchill Circle Logo Trademark constitutes use of the registered Churchill Logo Trademark. I find that the registered Churchill Logo Trademark remains recognizable and is used in such way as it has not lost its identity [*Canada (Registrar of Trade Marks) v Cie internationale pour l'informatique CII Honeywell Bull, SA* (1985), 4 CPR
(3d) 523 (FCA)]. The CHURCHILL Logo Trademark consists of two dominant elements: (i) the

depiction of a man with the hops berry beard and (ii) the words CHURCHILL BREWING. Both of these dominant features are preserved in the version of the mark used on the beer cans [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. Furthermore, I find that the Churchill Logo Trademark would be perceived by the public as being used, since the differences between the marks are relatively minor and concern only the placement of the CHURCHILL BREWING component [*Nightingale Interloc Ltd. v Prodesign Ltd.* (1984), 2 CPR (3d) 535 (TMOB].

[35] The extent known favours the Opponent, whose evidence shows sales of over \$500,000 of CHURCHILL beer sold under its registered trademark in each of the years 2015-2017 (Peet affidavit, para 7). The length of time in use very slightly favours the Opponent, whose beer has been sold since at least as early as November 2015 (Peet affidavit, para 3).

[36] In contrast, the Applicant's PRAIRIE BAARD brand was introduced in May 2016 and no information on the quantity of sales of the Applicant's beer has been provided. Further, while examples of advertising are provided, including flyers and photographs of the Mark on a tap handle and golf course kits, as well as promotion through Mr. DeLaet's Twitter account with 123,000 followers and an interview with Mr. DeLaet on Youtube (Corelli affidavit, para 24; Exhibits N-X), this evidence does not allow me to determine to what extent the Mark is known in Canada.

Nature of the parties' goods and trades

[37] With respect to the nature of the goods and the nature of the trade of the parties, the Applicant's alcoholic brewery beverages and the beer and promotional goods associated with the Opponent's trademark are essentially the same, as would be their respective channels of trade.

Use of the Opponent's Hops Beard Design

[38] As a further surrounding circumstance, the Opponent submits that the likelihood of confusion is increased by the fact that the Opponent also uses a trademark which emphasizes a beard with a hops berry (the Opponent's Hops Beard Design):

11



[39] As the evidence, however, only shows use of this trademark as opposed to the Churchill Logo Trademark on two posters including a poster for Churchill Brewing Co. Lounge and the website (Peet affidavit, Exhibits A and B), I do not find that this is a circumstance which favours the Opponent to a significant degree.

Conclusion with respect to confusion

[40] Following my analysis of all the relevant factors, I conclude that, on a balance of probabilities, there is no reasonable likelihood of confusion between the Mark and the Opponent's registered trademark. The differences between the trademarks visually, phonetically and in idea suggested, are sufficient to avoid a likelihood of confusion as to the source of the parties' respective goods, despite the overlap in the goods and the channel of trades. Accordingly, I reject the ground of opposition based on section 12(1)(d) of the Act.

Sections 2 and 16(1)(a) Grounds of Opposition

[41] The Opponent pleads the following with respect to the sections 16(1)(a) and 2 grounds of opposition:

- 5 Pursuant to the provisions of Section 38(2)(c) and Section 16(1) of the *Trademarks Act*, the Applicant is not the person entitled to registration of the [Mark] because as of the dates of first use claimed in the Application ... the [Mark] was confusing with the Opponent's Churchill Logo Trademark ... [which] had been used and made known in Canada by the Opponent ...
- 6 Pursuant to the provisions of Section 38(2)(d) and Section 2 of the *Trademarks Act*, the [Mark] is not distinctive, in that it does not actually distinguish the goods identified in the Application from the goods and services of others, nor is it adapted to do so. In particular, the [Mark] does

not distinguish the goods of the Applicant from the goods and services of the Opponent, or is it adapted to do so, in light of the use and making known by the Opponent of the Opponent's Churchill Logo Trademark in Canada.

[42] The Churchill Logo Trademark is defined by the Opponent in the statement of opposition as:



[43] With respect to the grounds of opposition based on sections 16(1) of the Act, the material dates are May 31, 2016 (for beer) and October 31, 2016 (for merchandise, namely, baseball caps and t-shirts). The material date for assessing the non-distinctiveness ground is the date of opposition (February 28, 2018) [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185].

[44] At the hearing, the Opponent argued that confusion should be assessed between the Mark and the Opponent's Hops Beard Design. For ease of reference, this trademark is set out below.



[45] While the Opponent's evidence may have been sufficient to meet its evidential burden with respect to the Opponent's Hops Beard Design trademark, its failure to plead this trademark in its statement of opposition means that it cannot rely on it. I appreciate that, once evidence is filed, the Registrar must take it into account when assessing the pleadings [*Novopharm Ltd v AstraZeneca AB*, 2002 FCA 387]. This is not a case, however, where a broad, ambiguous or open-ended pleading is clarified by an opponent's evidence. The scope and meaning of the

pleadings are clear on their face: the allegation is that the Mark is confusing with the Churchill Logo Trademark of the Opponent.

[46] I do not find that the use of the trademark without the words CHURCHILL BREWING CO. is use of the Churchill Logo Trademark. I do not find that the Churchill Logo Trademark remains recognizable and is used in such way that it has not lost its identity [*Cie internationale pour l'informatique CII Honeywell Bull, SA, supra*]. The trademark Churchill Logo Trademark consists of two dominant elements—the design and the words CHURCHILL BREWING CO.— and while the design element is preserved in the Opponent's Hops Beard Design, the second dominant feature is not [*Promafil Canada Ltée, supra*]. Furthermore, I do not find that the trademark Churchill Logo Trademark would be perceived by the public as being used [*Nightingale Interloc Ltd, supra*].

[47] Finally, while I find that the Opponent has met its evidential burden with respect to the Churchill Logo Trademark for the grounds of opposition based on sections 16(1)(a) and 2 of the Act, these grounds are rejected for the same reasons as with respect to the section 12(1)(d) ground of opposition.

DISPOSITION

[48] In view of all the foregoing and 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.

Natalie de Paulsen Member Trademarks Opposition Board Canadian Intellectual Property Office

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

Hearing Date: 2021-05-27

Appearances

Paul W. Braunovan

R. Nelson Godfrey

For the Opponent

For the Applicant

Agents of Record (All of the Agents at)

Perley-Robertson, Hill & McDougall LLP

Gowling WLG (Canada) LLP

For the Opponent

For the Applicant