

LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADEMARKS

**Citation: 2021 TMOB 200**

**Date of Decision: 2021-09-10**

**IN THE MATTER OF AN OPPOSITION**

**Miguel Torres, S.A.**

**Opponent**

**and**

**Vins Arterra Canada, division  
Québec, Inc.**

**Applicant**

**1,576,607 for TORRAO Design**

**Application**

[1] Miguel Torres, S.A. (the Opponent) opposes registration of application No. 1,576,607 for the trademark TORRAO Design (the Mark), reproduced below, which is based on proposed use in Canada in association with wines and currently stands in the name of Vins Arterra Canada, division Québec, Inc. (formerly Constellation Brands Quebec Inc.) (the Applicant).

**TORRAO**

[2] The opposition is primarily based on an allegation that the Mark is confusing with the Opponent's TORRES trademarks and trade names, previously used and/or registered in association with the same or related goods.

[3] For the reasons that follow, the application is refused.

FILE RECORD

[4] The application for the Mark was filed on May 7, 2012 and was advertised for opposition purposes in the *Trademarks Journal* on September 25, 2013.

[5] On February 19, 2014, the Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). All references herein 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 (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 that date).

[6] The statement of opposition raises grounds of opposition based upon non-compliance with sections 30(e) and (i), non-registrability under section 12(1)(d), non-entitlement under sections 16(3)(a) and (c) and non-distinctiveness under section 2 of the Act, as reproduced in full in Schedule A below. Most of these grounds of opposition revolve around the likelihood of confusion between the Mark and the Opponent's trademarks (collectively, the Opponent's TORRES Marks or the Opponent's Marks, the particulars of which are included in Schedule B below), as well as the Opponent's trade names Torres, Miguel Torres, and Miguel Torres S.A. So, as mentioned above, the key issue in this case is whether the Mark is confusing with the Opponent's relied upon marks and names.

[7] The Applicant filed and served a counter statement denying each allegation contained in the statement of opposition.

[8] In support of its opposition, the Opponent filed certified copies of its relied upon registrations and the affidavit of Ana Manchón Montserrat, Area Manager for Canada of the Opponent, dated August 7, 2015, along with Exhibits A to F thereto (the Montserrat affidavit). The Montserrat affidavit introduces into evidence information with respect to the Opponent's business, including the use and promotion of the TORRES Marks in Canada.

[9] In support of its application, the Applicant filed:

- The affidavit of Steve Bolliger, Senior Vice-President of Marketing for Constellation Brands Canada Inc., dated May 4, 2016, along with Exhibits SB-1 to SB-24 thereto (the

Bolliger affidavit). The Bolliger affidavit provides some information with respect to the Applicant's structure and business, with respect to wine sales in Quebec and Ontario, as well as with respect to the Canadian wine market in general (including the use of the words "toro" and "torre" in association with wine products).

- The affidavit of Veronique Simard, Marketing Director for Constellation Brands Quebec Inc., dated May 16, 2016, with Exhibits VS-1 to VS-6 thereto (the Simard affidavit). The Simard affidavit also provides some information with respect to the Applicant's structure and business, including the use and promotion of the Mark in Canada.
- The affidavit of Stéphanie La, an employee of the Applicant's trademark agents, dated May 13, 2016, along with Exhibits SL-1 to SL-16 thereto (the La affidavit). The La affidavit introduces state of the register and marketplace evidence with respect to the commonality of TORO and TORRE as elements of trademarks registered and/or used in association with wine. Ms. La also conducted online searches and introduces into evidence:
  - printouts from the Canada 411 website showing 913 entries of individuals with the surname Torres;
  - printouts from the online Larousse dictionary showing English and French translations of the Spanish words "toro" and "torre", as well as the lack of a translation for the word "torrao";
  - a copy of the *Regulation respecting the terms of sale of alcoholic beverages by holders of a grocery permit*, CQLR c S-13, r 6;
  - a copy of the Ontario *Liquor Control Act*, RSO 1990, c L.18 and of its regulation RRO 1990, Reg 717;
  - the results of a Google search she conducted using the search terms "toro denominacion de origen", including printouts from a website titled *Regulatory Board of the Toro Designation of Origin* at [www.dotoro.com/en/](http://www.dotoro.com/en/);

- a Google Map printout of the Toro region in the province of Zamora, Spain.

[10] Ms. Montserrat, Mr. Bolliger and Ms. Simard were cross-examined on their affidavits. The transcripts of their cross-examinations and whatever replies to undertakings were filed are part of the record.

[11] Both parties filed written arguments and were represented at the hearing.

#### ONUS AND MATERIAL DATES

[12] 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)]. If this burden is met, the Applicant then bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act.

[13] The material dates with respect to the grounds of opposition are as follows:

- Sections 38(2)(a) / 30(e) and (i) – the filing date of the application, namely, May 7, 2012 [*Canadian National Railway Co v Schwauss* (1991), 35 CPR (3d) 90 (TMOB); *Tower Conference Management Co v Canadian Exhibition Management Inc* (1990), 28 CPR (3d) 428 at 432-433 (TMOB)].
- Sections 38(2)(b) / 12(1)(d) – the date of my decision [*Park Avenue Furniture Corp v Wickers/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)];
- Sections 38(2)(c) / 16(3)(a) and (c) – the filing date of the application, namely, May 7, 2012; and
- Sections 38(2)(d) / 2 – the filing date of the opposition, namely, February 19, 2014 [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185].

ANALYSIS OF THE GROUNDS OF OPPOSITION

**Section 30(e)**

[14] As the Opponent did not file any evidence or argument in its support, the section 30(e) ground of opposition is rejected for the Opponent's failure to meet its initial evidential burden.

**Section 30(i)**

[15] The section 30(i) ground of opposition, as pleaded by the Opponent, has six prongs. The Opponent did not make an argument in support of any of them.

[16] The first prong of this ground is rejected because mere knowledge of the existence of the Opponent's relied upon marks or confusion with the Opponent's relied upon marks alone, does not support the allegation that the Applicant could not have been satisfied of its entitlement to use the Mark. The second, third, fourth, fifth and sixth prongs of this ground are rejected because they are either insufficiently pleaded and/or on the basis that the Opponent has failed to meet its initial evidential burden. Section 30(i) of the Act requires that an applicant include a statement in its application that it is satisfied that it is entitled to use its trademark in Canada. Where this statement has been provided, a section 30(i) ground should only succeed in exceptional cases. The application for the Mark contains the required statement and there is no evidence that this is an exceptional case.

**Section 12(1)(d)**

[17] The Opponent has filed certified copies of its relied upon registrations. Having exercised the Registrar's discretion to check the register, I note that the following registrations have been expunged: TMA262,043 for DON JUAN TORRES, TMA809,187 for IBERICOS Soto de TORRES Design, TMA605,853 for Nerola Label with Rectangular Design, TMA605,854 for Nerola Label with Spiral Design, TMA188,420 for SANGRIA DE TORO, and TMA200,697 for TORRES & DESIGN.

[18] The remaining registrations (namely: TMA691,500 for GRAN SANGRE DE TORO, TMA164,805 for SANGRE DE TORO, TMA652,894 for TORRE REAL, TMA191,189 for

TORRES, TMA717,319 for TORRES 5, TMA680,149 for TORRES 10 and TMA715,317 for TORRES SAN VALENTÍN & Design) are extant. With respect to registration TMA652,894 for TORRE REAL, I also note that in January 2018, at the Opponent's request, this registration was amended to delete a portion of the goods and currently stands only in association with "Edible oils".

[19] The Opponent having met its initial burden with respect to the registrations above which are extant, the Applicant must now establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and any of the Opponent's Marks.

[20] In this regard, I will focus my analysis on the trademark TORRES (TMA191,189) as I consider it to represent the Opponent's strongest case.

#### Test for confusion

[21] The test to determine the issue of confusion is set out 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 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.

[22] Therefore, section 6(2) of the Act does not concern confusion of the trademarks themselves, but of the goods or services from one source as being from another. Essentially, the question here is whether a consumer, with an imperfect recollection of the Opponent's trademark TORRES, seeing the Applicant's wines in association with the Mark, would think that they emanate from, are sponsored by or approved by the Opponent.

[23] In applying the test for confusion, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time they 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 including in appearance or sound or in the ideas suggested by them. These criteria are not exhaustive and

different weight will be given to each one in a context-specific assessment [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22]. I also refer to *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 where the Supreme Court of Canada states at para 49 that section 6(5)(e), the resemblance between the marks, will often have the greatest effect on the confusion analysis.

*Inherent distinctiveness and extent known*

[24] With respect to the trademark TORRES, I do not find it inherently distinctive. In my view, the evidence here sufficiently establishes that TORRES has a surname significance. There is also evidence that “torre” can translate to mean “tower”. However, it has not been established that the average English or French-speaking consumer would be aware of this meaning. Also, I cannot subscribe to the Applicant’s contention that an evident association would form in the mind of consumers between the trademark TORRES and the words “tower” or “*tour*” [the French for “tower”] because the terms are “closely similar in sounding”. Similarly, I do not find that the Opponent’s use of a shield design portraying the representation of three towers in close association with its trademark TORRES (on its wine bottle labels and invoices, for example) necessarily contributes in this respect; if anything, such design could arguably be perceived as a family crest or coat of arms thus reinforcing the idea of a family name that the Opponent’s mark suggests.

[25] With respect to the Mark, it has a higher degree of inherent distinctiveness than the Opponent’s trademark TORRES. As submitted by the Applicant, TORRAO is a coined word and, in my view, it is likely to be perceived as such. The stylized font and particular letter arrangement in the Mark contribute to its inherent distinctiveness as a whole, however not in a significant way.

[26] As the strength of a trademark may be increased by it becoming known through promotion or use, I will now consider the extent to which the marks have become known in Canada.

[27] The Opponent submits that the TORRES mark has acquired considerable distinctiveness owing to the long and extensive use and advertising of TORRES wines. Specifically, the

Opponent submits that it has sold millions of dollars worth of wine since 1966 which, combined with the associated promotional expenditures over the years, results in the conclusion that the TORRES mark has become very well known in Canada in association with wines and brandies. The Opponent's evidence in this regard is comprised of the Montserrat affidavit, which includes the following information:

- The Opponent is a wine-grower and wine and brandy producer and exporter. It owns a number of trademarks most of which can be found amongst the ones listed in Schedule B to this decision. [paras 5-6] Ms. Montserrat refers to these trademarks collectively as THE TORRES MARKS throughout her affidavit.
- In terms of sales, Ms. Montserrat states that products bearing one or more of THE TORRES MARKS were first sold in Canada in 1965 and that, since that time, each of these marks, and also "the TORRES family of marks" have enjoyed continually increasing recognition from Canadian consumers. The Opponent's sells its products through Canadian distributors and directly to wine retailers in several Canadian provinces. Ms. Montserrat states that these distributors in turn sell the TORRES-branded products to liquor control boards and other wine vendors in Canada and these liquor control boards and other wine vendors then sell TORRES-branded goods to Canadian consumers. [paras 6-7] On cross-examination, Ms. Montserrat confirmed that the Opponent's products are present in all major provincial liquor boards, as well as in Alberta, the alcohol market of which is not controlled by a provincial board, and are also sold through some private importations. She also confirmed that the Opponent sells its wine in grocery stores in some provinces, where it is permitted. [Montserrat cross-examination, Q44-46, 51-53 and 132-139]
- Ms. Montserrat provides figures representing the approximate yearly volume, in cases of 12 bottles, as well as retail value of Canadian sales of wine bearing one or more of THE TORRES MARKS for 1966-2014. The Opponent's total sales of wine for this period including the partial figures in 2014 approximate over \$108 million, for a total of over 2 million cases sold. Ms. Montserrat also provides the approximate yearly volume, in cases of 12 bottles, and retail value of Canadian sales of brandies and liquor bearing one

or more of THE TORRES MARKS for 1969-2014. The Opponent's total sales of brandies and liquor for this period including the partial figures in 2014 approximate over \$1.8 million, for a total of over 35 thousand cases sold. [paras 8-9]

- On cross-examination, Ms. Montserrat was questioned on which of the Opponent's trademarks are used in relation with wine products. In response, she confirmed that TORRES "is the brand that [the Opponent] use[s] all the time for all the wines" and that, while "all the wines [have] different names, they are under the umbrella of [the] TORRES brand". [Montserrat cross-examination, Q65]
- On cross-examination, Ms. Montserrat was also questioned on the lack of specificity of the aggregate figures adduced. As an undertaking, she subsequently provided spreadsheets showing a more detailed (i) per product breakdown of the Opponent's yearly shipment volume to Canada between 1966-1992 and (ii) per product and per province breakdown of the Opponent's yearly shipment volume to Canada between 1993-2015. The latter spreadsheet shows, amongst other things, shipments of various TORRES-branded wines to Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and Saskatchewan every year from 1993 to 2015. [Montserrat cross-examination, Q59-64; response to undertaking No. 1]
- Ms. Montserrat provides a representative sampling of invoices displaying one or more of "THE TORRES MARKS and trade names" and corresponding to Canadian sales of wine and brandy bearing one or more of THE TORRES MARKS between 1995-2014. She asserts that the invoices accompany the products when they are sold to Canadian distributors, which include provincial liquor control boards and other wine vendors, who in turn sell to and invoice end consumers. Ms. Montserrat also asserts that invoices pertaining to Canadian sales made prior to 1995 were not available for submission as they are not contained in the Opponent's computerized records system which was implemented in 1995. She states, however, that she believes that the invoices rendered prior to this date were similar in content to those provided. [para 10, Exhibit A] I note that the term TORRES appears in the body of all of the invoices under the product description heading (for example, in descriptions such as "TORRES SANGRE DE

TORO”, “TORRES CORONAS”, “TORRES GRAN VIÑA SOL CHARDONNAY” or “TORRES ATRIUM MERLOT”). It is also displayed in stylized font in the top left corner of the invoices next to the trade name Miguel Torres S.A. and to the Opponent’s contact information (as shown below).



- Ms. Montserrat also provides approximate annual Canadian advertising/promotional expenditures for products bearing one or more of THE TORRES MARKS between 2002-2014. The Opponent’s total expenditures for this period including the partial figures in 2014 approximate over \$3.6 million. She states that these figures pertain to advertisements in magazines, newspapers and brochures distributed throughout Canada as well as to product testing, public relations events and travel associated with promotion. Ms. Montserrat further states that prior to 2002, there were also “significant levels of promotional spending in Canada” by the Opponent. [para 11]
- On cross-examination, Ms. Montserrat was questioned on the Opponent’s advertising/promotional efforts and was asked to provide particularized information with respect to the Opponent’s marketing expenses. She subsequently provided the following 2012-2014 breakdown. The amounts shown are in Euros rather than in Canadian dollars.

At least:

Marketing Totals in Euros	August 2011 - July 2012	August 2012 - June 2013	July 2013 - June 2014
Tastings, Conferences, seminars	37352	29900	238846
Fairs, exhibitions, events	14129	10425	18430
Point of sale promotions	137929	150000	
Advertising Campaigns	102643	3580	5210
Product presentations	15491	7676	33258
<b>Totals</b>	<b>307544</b>	<b>201581</b>	<b>295744</b>

[Montserrat cross-examination, Q78-82; response to undertaking No. 2]

- Ms. Montserrat states that brochures, pamphlets and point of sale materials promoting the Opponent and its products are supplied to Canadian distributors or directly to liquor control boards and wine vendors, who then make them available to end consumers. Ms. Montserrat provides samples of some of the Opponent's product brochures which would be made available to end consumers in the various Canadian establishments which sell goods branded with one or more of THE TORRES MARKS. She states that the photographs that appear in the catalogues demonstrate some of the ways in which THE TORRES MARKS are applied to products and that the exhibited materials also show use of the Opponent's trade names incorporating TORRES. [para 12, Exhibit B]
- Ms. Montserrat also provides:
  - Photographs of products purchased in Canada bearing one or more of THE TORRES MARKS, as an example of the manner in which such marks are used in Canada in association with the Opponent's goods. [para 13, Exhibit C] I note that the mark TORRES appears on the label of each of the photographed wine bottles.
  - Copies of labels which appear on goods sold by the Opponent to Canadian consumers displaying, amongst other things, one or more of THE TORRES MARKS. She indicates that these labels "are currently in use and have been in use for some number of years" and that she believes that prior labels would have also shown THE TORRES MARKS as prominently and clearly. [para 14, Exhibit D] The labels appear to be for brandies, orange liquors, and wines. Again, the term TORRES appears on most, if not all product labels adduced.
  - A 2012-report pertaining to visits made to various establishments across Canada where the Opponent's products branded with one or more of THE TORRES MARKS are sold. The report includes photographs of products and product displays in liquor and wine retailer stores as well as photographs of restaurants and restaurant wine lists and displays. [para 15, Exhibit E]
  - Copies of newspaper and magazine articles from 1996-2006 "wherein [the Opponent]'s trade names and/or products branded with one or more of THE

TORRES MARKS are referenced”. For example, I note that there are publications in *La Presse, The Globe and Mail, Le Devoir, the Toronto Star, the National Post, etc.* Ms. Montserrat states that the magazines and newspapers in which these articles appeared are distributed in Canada and were available to Canadians either via subscription or for purchase at newsstands or the like. [para 16, Exhibit F] No other information is provided with respect to circulation of these materials in Canada.

[28] The Applicant rightly points out that Ms. Montserrat’s evidence presents some deficiencies (such as the sales numbers not being broken down for each of the trademarks being relied upon). Nevertheless, it shows over \$108 million in wine sales over a period of close to 50 years, wine which appears to have been predominantly sold under the TORRES “umbrella brand”. In the end, despite the deficiencies that it contains, I am satisfied that a fair review of the whole of Ms. Montserrat’s evidence establishes that the Opponent’s TORRES trademark has acquired a significant degree of distinctiveness in Canada in association with wine.

[29] As for the Mark, it was applied for based on proposed use. The Applicant however submits that Mark has at least some acquired distinctiveness as it has been used since July 2012 by the Applicant and since January 2016 by the Applicant’s mother company, under oral licence from the Applicant. The Applicant’s evidence in this regard is comprised of the Bolliger and Simard affidavits, which include the following information:

- The Applicant’s mother company (formerly Constellation Brands Canada Inc., also previously known as Vincor International Inc.) is the biggest Canadian wine manufacturer and producer, and the Applicant is a wholly owned subsidiary. [Bolliger affidavit, paras 6, 7, 9, Exhibit SB-1; Simard affidavit, paras 3-6]
- The Applicant (formerly Constellation Brands Quebec Inc., also previously known as Vincor (Quebec) Inc.) is a wine manufacturer, producer, and bottler. [Bolliger affidavit, para 10; Simard affidavit, paras 7-8, Exhibit VS-1]
- Mr. Bolliger and Ms. Simard both state that the Applicant and its mother company share a central structure for all invoicing which is managed by the mother company. They explain that the sales of products made by the Applicant are accounted for in the books

and in the income statement of the Applicant through payment by inter-company transaction from its mother company and that accordingly, the sales made by the Applicant are accounted to the Applicant even if invoiced by its mother company. [Bolliger affidavit, paras 12-13, 34; Simard affidavit, paras 29-31]

- In terms of sales, the wine brand sold in association with the Mark was launched by the Applicant in Quebec in July 2012. Then, as of January 2016, the Applicant's mother company started selling wine in association with the Mark in Ontario under an oral licence from the Applicant. Mr. Bolliger and Ms. Simard both attest that the Applicant and its mother company apply the same standards of quality in terms of manufacturing to insure the constant quality and the character of the wine products manufactures and sold by both companies, and notably the products sold in association with the Mark. Also, Mr. Bolliger's duties include overseeing advertisement and quality control done by both the Applicant and its mother company in relation with the products sold in association with the Mark. [Bolliger affidavit, paras 23-28; Simard affidavit, paras 17-20]
- Ms. Simard provides information with respect to the type of wine sold in Quebec in association with the Mark, namely that it originates from Spain, and the channels of trade through which the products travel in Quebec, namely that they are sold in grocery and convenience stores, in various formats including 4-litre boxes and 1-litre bottles [Simard affidavit, paras 21-23]. Also of note is that on cross-examination, Ms. Simard confirmed that the Applicant has (other) products which are sold both in grocery/convenience stores and in SAQ branches [Simard cross-examination, Q75-78].
- Ms. Simard provides figures representing Quebec wine sales, in 9-litre cases, in association with the Mark for fiscal 2013-2016. The Applicant's total sales of wine for this period including the partial figures up to June 2015 approximate close to \$4.5 million, for a total of close to 180 thousand cases sold in Quebec. Ms. Simard also includes sample invoices pertaining to sales of products to the SAQ issued in 2012 and 2015. Ms. Simard states that, in order to sell to grocery and convenience stores, the transactions are required by law to transit through the SAQ. [Simard affidavit, paras 24-28, Exhibit VS-4; Simard cross-examination, Q12-15, Q112] There are five

invoices which appear to be issued by Constellation Brands Quebec Inc. (stated to be one of the Applicant's previous names) and refer to Constellation Brands Canada Inc. (stated to be one of the Applicant's mother company previous names) under the invoices "Remit To" heading. I also note that the term TORRAO appears in the body of all of the invoices under the "Product/Description" heading (for example, in descriptions such as "TORR ESP BLNC 1/12 ICB BLANC TORRAO SPAIN" or "TORR ESP ROSE ES ICB 1/12 ROSE TORRAO SPAIN ES").

- Mr. Bolliger provides information with respect to the type of wine sold in Ontario in association with the Mark, namely a blend of wine from Canada and from Spain, and the channels of trade through which the products travel in Ontario, namely that they are sold by the Applicant's mother company in the Wine Rack retail stores which it owns. Mr. Bolliger also attest that the Wine Rack retail stores do not sell any of the Opponent's wine products. [Bolliger affidavit, paras 20-21, 28-30, 34]
- Mr. Bolliger states that the sales numbers from the Wine Rack retail stores, including those for the products sold in association with the Mark, are confidential. As a representative sample, he however asserts that the Applicant's mother company has sold more than five thousand 9-litre cases of wine between January 2016 and the date of his affidavit (May 4, 2016). [Bolliger affidavit, paras 32-33]
- Mr. Bolliger provides proofs of labels for white and red wine (Vino Blanco / Vino Tinto) displaying the Mark and depicting how it is used in Ontario; Ms. Simard provides photographs of various wine products bearing the Mark, as an example of the manner in which they are sold in Quebec. [Bolliger affidavit, para 31, Exhibit SB-2; Simard affidavit, para 22, Exhibit VS-3] The Mark appears on the label proofs and on each of the photographed wine boxes and bottles.
- Mr. Bolliger explains that, because the Wine Rack retail stores are owned by the Applicant's mother company, there are no invoices associated with the sale of products in Ontario, said sales being only accounted for in its internal database system. He explains that the Wine Rack stores use a "point of sale" cash register which automatically provides input concerning each sale made directly into internal database system of the Applicant's

mother company. Mr. Bolliger provides samples of internal “sales detail reports” showing sale of products in Ontario. These reports are issued under the name of Vincor International Inc., which is also stated to be one of the Applicant’s mother company previous names. [Bolliger affidavit, paras 34-38; Exhibit SB-3] I note that the term TORRAO appears in the body of all of the invoices under the product description heading (for example, in descriptions such as “TORRAO SPAIN RED” and “TORRAO SPAIN WHITE”).

- Mr. Bolliger indicates that \$21,000 was invested by the Applicant’s mother company in order to promote the Ontario products and provides samples of in-store promotional material that he states feature the bottle of the Ontario products as sold to final consumers and are prominently displayed as posters in the various stores. [Bolliger affidavit, paras 39-40, Exhibit SB-4; Bolliger cross-examination, pp. 159-160, Undertaking No. 8]
- Ms. Simard states that since their launch in July 2012, “significant amounts” are invested by the Applicant in order to promote the Quebec products. She also states that the Applicant “has invested close to \$500,000 dollars in various promotions and marketing efforts”. [Simard affidavit, paras 32-33; Simard cross-examination, Q137-140] There is no indication as to what portion of this figure, if any, pertains to promotion of wine sold in association with the Mark versus all other products sold by the Applicant.
- Ms. Simard provides some information regarding the types of marketing used by the Applicant in respect of its products sold in Quebec in association with the Mark, namely through in store advertising, including signage, posters, and stand alone displays. As a sample example of the said promotional efforts, she provides proofs of marketing material, material which she states is prominently displayed in grocery and convenience stores. [Simard affidavit, para 34, Exhibit VS-5; Simard cross-examination, Q128-136] No circulation figures are provided with respect to the material in Quebec, let alone in Canada.

[30] The Applicant’s evidence outlined above, does not allow for a determination of the extent to which the Mark may have become known in Ontario. Deficiencies aside, I am however prepared to accept that the Mark has been used since July 2012 in Quebec (mostly due to the

sales information provided by Ms. Simard) and has therefore become known to at least some extent, mainly in this province.

[31] So in the end, while I consider the Mark to be more inherently distinctive, the Opponent's trademark TORRES has been used for a much longer period of time and has significantly more acquired distinctiveness as far as wine is concerned.

*Length of time in use*

[32] In light of the above discussion, the length of time that the trademarks have been in use favours the Opponent.

*Nature of the goods or business and nature of the trade*

[33] To the extent that both parties operate as wine producers and that the trademarks at issue both cover wine, there is direct overlap between the parties' goods and businesses.

[34] The Applicant, seeking to distinguish the nature of the parties' channels of trade, essentially contends that the goods are not sold in the same stores. Specifically, the Applicant submits that its wine under the Mark is only sold in grocery and convenience retail stores in Quebec and through the Wine Rack retail stores in Ontario (which do not sell the Opponent's wine products). The Applicant also submits that the Opponent could not sell its wine products in grocery stores or convenience stores in Quebec. The Applicant's arguments relating to this factor are centered on the different rules and regulations governing the sale of wine in Quebec and Ontario [Bolliger affidavit, paras 14-21; Simard affidavit, paras 11-15; La affidavit, paras 22-23, Exhibit SL-13; Applicant's written argument, paras 97-113].

[35] Indeed, the parties' goods are currently made available to end consumers through different outlets in Quebec and Ontario. However, it was established that the Opponent sells TORRES-branded wine through grocery stores at least in Alberta. It was also established that the Applicant has products under other brands which also happen to be sold through the provincial liquor board in Quebec. Ultimately, the Applicant is applying for registered exclusive rights across Canada and neither statement of goods covered by the marks at issue contains a territorial

limitation or a restriction with respect to any specific channel of trade. I am therefore unable to find that there would not be at least a potential for overlap in the parties' channels of trade.

[36] Accordingly, these factors also favour the Opponent.

*Degree of resemblance*

[37] When considering the degree of resemblance, the law is clear that the trademarks must be considered in their totality. The appropriate test is not a side-by-side comparison but an imperfect recollection in the mind of a consumer of an opponent's trademark [*Veuve Clicquot* at para 20]. While in some cases, the first word or syllable of a mark may prove the most important for the purpose of distinction, the preferable approach is to begin the confusion analysis by determining whether there is an aspect of each trademark that is particularly striking or unique [*Masterpiece* at para 64].

[38] The Opponent submits that the striking aspect of each mark is the dominant first portion TORR and that, when considered in their respective totalities, the marks are very similar as they contain the same number of letters, with the first four letters being identical. The Opponent further submits that the marks both convey a "Spanish" meaning, sound or idea. [Opponent's written argument, paras 99-111].

[39] The Applicant submits that the striking aspect of the Mark is rather one of its design elements ("ЯR"). The Applicant further argues that there are differences in the marks in sounding (due to the different suffixes and number of syllables that they contain) and in ideas suggested (as TORRES suggests the idea of a surname and/or the idea of a tower and the Mark does not suggest any specific idea being a coined word). [Applicant's written argument, paras 114-116]

[40] When considered as a whole, I find that the parties' trademarks are somewhat more alike than they are different. The marks resemble each other given that they are both composed of a single 6-letter word starting with the element TORR. In my view, however, TORR is not the dominant feature of either of the parties' trademarks. In fact, the Opponent's trademark does not strike me as having a single dominant aspect over another. When it is sounded, the same goes for the Mark. In other words, the striking aspect of the Opponent's trademark is the word TORRES

as a whole. Aurally, the striking or unique aspect of the Mark is the word TORRAO as a whole. Visually, however, I agree with the Applicant that it is the stylized symmetrical “ЯR” letter arrangement which stands out in the Mark. Conceptually, I find there is a distinction to the extent that the Opponent’s mark has a surname significance whereas the Mark as a whole could arguably suggest a coined word or foreign connotation in the mind of consumers.

[41] Accordingly, this factor favours the Opponent to some extent.

*Additional surrounding circumstances*

State of the register/marketplace

[42] State of the register evidence is introduced to show the commonality or lack of distinctiveness of a trademark or of a portion of a trademark. It is established that where trademarks contain a common element that is also contained in a number of other trademarks in the same market, this tends to cause consumers to pay more attention to the marks’ other non-common features to distinguish them [*K-Tel International Ltd v Interwood Marketing Ltd* (1997), 77 CPR (3d) 523 (FCTD)]. That said, such evidence is relevant only insofar as it allows for inferences concerning the state of the marketplace, which can only be drawn when a significant number of relevant registrations are located [*Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].

[43] Relying on the Bolliger and La affidavits, the Applicant submits that the word TORRE is common to the trade as it is widely used in Canada by various wine producers, both on the register which contains numerous registrations incorporating the word TORRE specifically in association with goods described as wine, and in the marketplace by third party producers in association with wine products. [Applicant’s written argument, paras 117-125]

[44] With respect to the register, the Applicant specifically directs my attention to six trademarks registered in association with wine which are owned by five different entities and comprise the word TORRE. Certified copies of these registrations are provided in the La affidavit. [La affidavit, para 2, Exhibit SL-1]

[45] The Opponent, in turn, submits that when only a small number of relevant registrations are located, as in this case, state of register evidence is not by itself sufficient to show that there is no likelihood of confusion, and moreover that such evidence is “irrelevant as evidence to establish that, because similar marks were granted protection, one more should not be refused” [*Cartier Men’s Shops Limited v Cartier Inc* (1981), 58 CPR (2d) 68]. [Opponent’s written argument, paras 114-115]

[46] With respect to the marketplace, the Applicant specifically points out eight third party products sold to Canadian consumers in association with marks incorporating the word TORRE, including some of the registered marks above located by Ms. La. In this regard, Ms. La also includes the results of online and in-store wine purchases made by (an) unnamed employee(s) of the Applicant’s trademark agents [La affidavit, paras 3-4 and 7-16, Exhibits SL-2 and SL-4 to SL-8]. Mr. Bolliger, for his part, states that the Applicant’s mother company has access to a database which records all the sales of all alcoholic beverages in Canada made into the various provincial liquor boards as well as privately in the province of Alberta. Using this database, he provides sales data for 2013-2016 pertaining to sales of some third party products. He also provides images of said wine products obtained either from provincial liquor board websites, private distributor websites or producer’s websites. [Bolliger affidavit, paras 43-64, Exhibits SB-5 to SB-24]

[47] The Opponent, rightly, takes issue with the marketplace evidence provided by Ms. La submitting it is inadmissible hearsay given that Ms. La did not make any of the referenced purchases and cannot attest to their veracity or the circumstances surrounding them. Hearsay issues aside, I also note that Ms. La’s evidence does not provide information as to the extent of any third party use. With respect to the marketplace evidence provided by Mr. Bolliger, the Opponent submits that only very few (six) marks were found which can be considered potentially relevant and that there are only minimal sales in association with same.

[48] In my view, the registrations located by Ms. La show that there is at least some co-existence on the trademark register and the data provided by Mr. Bolliger is relevant in the measure that it shows at least some commercial use of third party TORRE-comprising marks in association with wines. However, I do not find that any of the third party marks so nearly

resemble the Opponent's trademark TORRES as does the Mark. Further, while jurisprudence regarding the state of the register and marketplace has not consistently established the minimum quantity of marks that would be required in this respect, it is in my view questionable whether the number of relevant trademarks and admissible examples of use provided here can be said to be sufficient to enable me to make the inferences requested by the Applicant. Accordingly, this is a surrounding circumstance which favours the Applicant, but only to an extent.

#### Applicant's prior registration

[49] The Simard affidavit contains particulars of the Applicant's trademark registration No. TMA598,516 for TORRÃO obtained in 2004 in association with wines [para 9, Exhibit VS-2]. The Applicant submits that this mark already coexists both on the register and in the marketplace with the registered trademarks relied upon by the Opponent. At the hearing, the Applicant also submitted that use of the Mark should be considered as use of its registered trademark TORRÃO (which is virtually the same trademark, the accent representing but a minor variation) and that since its prior registration covers a word mark, this allows the Applicant to validly use it in any graphic form including as depicted in the Mark.

[50] First, it is well established that section 19 of the Act does not give the owner of a registration the automatic right to obtain any further registrations no matter how closely they may be related to the original registration [*Coronet-Werke Heinrich Schlerf GmbH v Produits Menagers Coronet Inc* (1984), 4 CPR (3d) 108 at 115 (TMOB); *Groupe Lavo Inc v Proctor & Gamble Inc* (1990), 32 CPR (3d) 533 at 538 (TMOB)].

[51] Second, the validity of the Applicant's prior registration is not at issue in the instant proceeding. The question before me is rather if, in light of the grounds of opposition that were raised and the evidence of record, the Applicant can obtain registration of its Mark in association with wines.

[52] In this regard, however, use of a prior registered trademark in Canada may be a relevant surrounding circumstance that decreases the likelihood of confusion [*Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SPA*, 2016 FC 895]. I note that the Applicant's applied-for goods here are identical to the ones covered by its existing registration and that the registered trademark

TORRÃO is visually more similar to the Opponent's trademark TORRES than is the Mark. Further, I agree with the Applicant that the omission of the accent over the letter A can be considered a minor deviation and therefore accept that whatever use was shown for the Mark in association with wines also constitutes use of TORRÃO. Accordingly, while I do not consider this to be dispositive of the issue of confusion, I find that it is a surrounding circumstance which favours the Applicant.

#### Actual instances of confusion

[53] The Opponent submits that at least one potential purchaser of the Applicant's goods has been confused by the marks, thinking the Applicant's wines were the goods of the Opponent. Specifically, the Opponent refers to an incident of actual confusion that Ms. Montserrat recounted on cross-examination when a friend, having become aware of the Applicant's TORRAO wine product, questioning whether it was made by the Opponent. [Montserrat cross-examination, Q116]

[54] The Applicant submits that Ms. Montserrat's evidence of actual confusion is unreliable. The Applicant further submits that, given that the Mark has been used since July 2012, an adverse inference should be drawn against the Opponent because of the absence of any actual instances of confusion.

[55] First, setting aside the reliability of Ms. Montserrat's recount, I am not satisfied that it is sufficiently detailed to be considered as evidence of actual confusion. Second, at the hearing, the Opponent submitted that obtaining evidence of actual confusion would be difficult because there is no structure in place between the Opponent and any of the provincial liquor boards which would allow for the reporting or tracking of such incidents. Accordingly, I do not find that this is surrounding circumstance which favours either party.

#### Opponent's family of trademarks

[56] The Opponent alleges that it has a family of TORRES marks that has become well known in association with alcoholic beverages and that the Mark is likely to be perceived by consumers as another member of this family.

[57] Where there is a family of trademarks, there may be a greater likelihood that the public would consider a similar trademark to be another trademark in the family and consequently, assume that the product or service that is associated with that trademark is manufactured or performed by the same person. There is, however, no presumption of the existence of a family of marks in opposition proceedings. In order to be able to benefit of the broader scope of protection afforded to a family of trademarks, the Opponent must first establish use of each mark comprised in its alleged family.

[58] In this regard, to the extent that the Opponent's evidence establishes use of the trademarks TORRES, TORRES 5, TORRES 10 and TORRES SAN VALENTÍN & Design, (notably as per the shipment spreadsheets, labels and invoices adduced), I am satisfied that the Opponent has shown that it has a family (albeit small) of TORRES marks in association with wine and brandy. Accordingly, I find that this is a surrounding circumstance which favours the Opponent.

#### Conclusion on likelihood of confusion

[59] As mentioned above, the Applicant has the legal onus of establishing, on a balance of probabilities, that there is not a reasonable likelihood of confusion as to the source of the parties' goods. This means that if a determinate conclusion cannot be reached after all the evidence is in, then the issue must be decided against the Applicant [*John Labatt*].

[60] Having considered all of the surrounding circumstances and, in particular, the resemblance between the marks, the identical nature of the parties' goods, the potential for overlap in their channels of trade, the Opponent's family of marks and the considerable extent to which the Opponent's trademark TORRES has been used and become known in Canada in association with its wines, and notwithstanding the existence of some state of the marketplace evidence of third party marks for similar goods which begin with the letters TORR and of the Applicant's prior registration and use of its trademark TORRÀO, I find that at best for the Applicant, the probability of confusion between the Mark and the Opponent's trademark TORRES is evenly balanced between a finding of confusion and of no confusion. As the onus is on the Applicant to show, on a balance of probabilities, that there is no reasonable likelihood of confusion, I must find against the Applicant.

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

### **Sections 16(3)(a) and (c)**

[62] I do not believe that it is necessary to discuss the non-entitlement ground of opposition at length. Because of the later material date, the Applicant's case with respect to confusion is strongest under the section 12(1)(d) ground. Given that the Applicant was not successful under this ground of opposition, it will not achieve a more favourable result under the section 16(3)(a) ground which relies on exactly the same trademarks. As I am satisfied from my review of the salient points of the evidence discussed above that the Opponent has met its initial burden at least in association with the trademark TORRES, for reasons similar to those discussed under the section 12(1)(d) ground, the section 16(3)(a) ground of opposition succeeds.

[63] Similarly, as my findings above with respect to the likelihood of confusion between the Mark and the Opponent's trademark TORRES remain applicable at least in relation to the Opponent's trade name Torres and that I am satisfied that the Opponent has met its burden relating to same, I find that the non-entitlement ground of opposition based on section 16(3)(c) also succeeds.

### **Section 2**

[64] Considering that I have already refused the application under three grounds, I will not address the remaining ground of opposition based upon non-distinctiveness.

[65] However, I will note that, notwithstanding the differences in the material date, to the extent that the first prong of this ground turns on the issue of confusion between the parties' marks, I would likely have reached the same conclusion above regarding the likelihood of confusion for reasons similar to those discussed under the section 12(1)(d) ground of opposition and would likely have found that the Applicant has not met its onus under this prong of the non-distinctiveness ground.

DISPOSITION

[66] Having regard to the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act.

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Iana Alexova  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

## SCHEDULE A

### **Excerpts from the statement of opposition**

[...] The grounds of opposition are as follows:

- a) The Opponent bases the opposition on the ground provided by subsection 38(2)(a) of the *Canadian Trade-marks Act* [all subsequent references to sections, subsections, paragraphs and subparagraphs herein shall be deemed to reference the *Canadian Trade-marks Act* R.S.C 1985 c.t-13 unless otherwise indicated while reference to the *Rules* shall be deemed to refer to the *Trade-mark Regulations* (1996) (Sor/96-195)] in that Application No. 1,576,607 does not comply with the requirements of subsection 30(e) of the *Trade-marks Act* insofar as the Applicant did not, either itself or through a licensee or by itself and through a licensee, as of the filing date of the present application, namely May 7, 2012, intend to use the trade-mark **ТОЯРАО** in Canada in association with *wines*. More specifically, the Applicant could not have intended to use the applied for trade-mark in Canada because, as of the filing date, the Applicant must be deemed to have been aware of the Opponent's earlier adoption and use in Canada, and elsewhere in the world, of each of its marks identified in the attached schedule as applied to the goods also identified in the attached schedule. Furthermore, the Applicant could not have had a bona fide intention to use mark in association with *wines* as of the date of filing since it had, in fact, already used the mark in association with these goods. As such, the claim is invalid.
- b) The Opponent bases the opposition on the grounds available under paragraph 38(2)(a) of the *Trade-marks Act* in that the trade-mark which is the subject of Application No. 1,576,607 does not comply with the requirements of subsection 30(i). More specifically, at the date of filing as well as the claimed date of first use or any other material time, the Applicant could not have been satisfied it was entitled to use the applied for trade-mark in Canada in association with the wares specified in the application in view of the following:
  - i. The Applicant was well aware or should be deemed to have been aware of the Opponent's earlier adoption and use in Canada of each of its marks referred to in the attached schedule and of its earlier adoption and use in Canada of its family of trade-marks as applied to the goods identified, previously used and registered in Canada. Furthermore:
  - ii. the Applicant could not have been satisfied that it was entitled to use the applied for trade-mark in Canada in association with the wares identified in its application having regard to the allegations set forth in the grounds of Opposition set out below; and
  - iii. the requirements of section 30(i) have not been met because the Applicant could not have been satisfied it was entitled to use the mark in Canada in association with the claimed goods since to do so would have the effect of

depreciating the value attached to the Opponent's registered trade-marks, set out in the attached schedule, contrary to section 22 of the Act; and

- iv. the Applicant could not have been satisfied it was entitled to use the mark in Canada in association with the claimed goods since to do so would violate the Federal legislation set out at section 7 of the Act; and
  - v. the Applicant could not have been satisfied it was entitled to use the applied for trade-mark in Canada in association with the above wares as doing so infringed copyright held by the Opponent in and to its designs; and
  - vi. the requisite statement as to satisfaction of entitlement could not have been made owing to the fact that the Applicant adopted the mark in bad faith and displays a pattern of trading off the names of other wine and spirit manufacturers. The Applicant has repeatedly attempted to trade to its advantage by coat-tailing on the established reputations of well-known trade-marks including those of the Opponent.
- c) The Opponent bases the opposition on the grounds provided by paragraph 38(2)(b) namely that the trade-mark **ТОЯРАО** covered by Application No. 1,576,607 is not registrable having in mind the provisions of paragraph 12(1)(d) of the Act. More particularly the trade-mark which is the subject of Application No. 1,576,607, is confusing within the meaning of section 6 of the Act with the Opponent's registered trade-marks, the particulars of which are set out in the attached schedule. Application No. 1,576,607 is also confusing within the meaning of section 6 of the Act with the Opponent's family of registered trade-marks set out in the attached schedule.
- d) The Opponent bases the opposition on the ground provided by paragraph 38(2)(c) of the *Trade-marks Act*, namely that the Applicant is not the person entitled to registration of the trade-mark **ТОЯРАО**, covered by Application No. 1,576,607, having in mind the provisions of paragraph 16(3)(a). More particularly, as of the filing date of May 7, 2012, and all other material times, the Applicant's trade-mark as applied to the wares for which registration is sought on the basis of proposed use in Canada, was confusing with each of the Opponent's trade-marks set out in the attached schedule which had been previously and continuously used in Canada by the Opponent in association with the wares identified. Application No. 1,576,607 is also confusing within the meaning of section 6 of the Act with the Opponent's family of marks used in Canada, as set out in the attached schedule, as well as the Opponent's trade-marks used at common law.
- e) The Opponent also bases its opposition on the ground set out in paragraph 38(2)(c) namely, that the Applicant is not the person entitled to registration of the trade-mark **ТОЯРАО** claimed in Application No. 1,576,607 having in mind the provisions of paragraph 16(3)(c). More particularly, as of filing date of the trade-mark, namely May 7, 2012, the mark was confusing with the Opponent's trade-names Torres, Miguel Torres, and Miguel Torres, S.A., previously used in Canada by the Opponent in association with the carrying on of

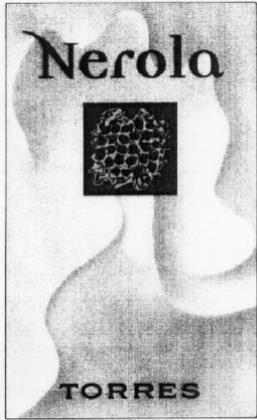
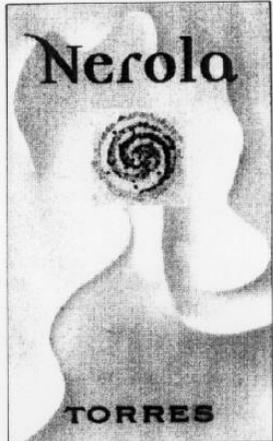
business related to the promotion, sale, and servicing of *wine, wine and brandy, both of Spanish origin, red wine with fruit juice added, edible oils, vinegars, preserved, dried and cooked fruits and vegetables.*

- f) The Opponent bases the opposition on the grounds set out in paragraph 38(2)(d), in that the trade-mark **TOYRAO**, claimed in Application No. 1,576,607, is not distinctive within the meaning of Section 2, in that such trade-mark will not distinguish as it is not adapted to distinguish the Applicant's wares claimed in Application No. 1,576,607 from the wares and services of others and, in particular, from the wares, services and business in association with which the Opponent has previously registered and used in Canada the trade-marks identified in the attached schedule and with its family of marks. The applied for mark is also not distinctive in that it will not distinguish as it is not adapted to distinguish the Applicant's wares, as claimed, from the goods sold and services provided in association with the trade names of the Opponent, Torres, Miguel Torres, and Miguel Torres, S.A. Moreover, the Applicant does not control the character and quality of its goods pursuant to Canadian licensing requirements including the requirements of section 50 of the Act. More particularly, a corporate entity other than Constellation Brands Quebec, Inc. is responsible for controlling the character and quality of the goods. For this reason there is ownership claimed by at least two separate entities, with the result that the mark is not distinctive of any one company.

[...]

SCHEDULE B

**Opponent's TORRES Marks**

<b>Trademark</b>	<b>Registration Number</b>	<b>Goods</b>
DON JUAN TORRES	TMA262,043	Wines.
GRAN SANGRE DE TORO	TMA691,500	Wine.
IBERICOS Soto de TORRES Design  <b>IBERICOS</b> Soto de <b>TORRES</b>	TMA809,187	Wines.
NEROLA Label with Rectangular Design  	TMA605,853	Wines.
NEROLA Label with Spiral Design  	TMA605,854	Wines.

SANGRE DE TORO	TMA164,805	Wine.
SANGRIA DE TORO	TMA188,420	Red wine with fruit juice added.
TORRE REAL	TMA652,894	Edible oils. Vinegars. Preserved, dried and cooked fruits and vegetables.
TORRES	TMA191,189	Wine and brandy, both of Spanish origin.
TORRES & DESIGN 	TMA200,697	Wine.
TORRES 5	TMA717,319	Brandy.
TORRES 10	TMA680,149	Brandy.
TORRES SAN VALENTÍN & Design 	TMA715,317	Wines.

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

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**Hearing date** 2021-04-08

**Appearances**

Amrita V. Singh and Jonathan Colombo	For the Opponent
Yann Canneva	For the Applicant

**Agents of record (All the trademark agents at)**

Marks & Clerk	For the Opponent
Bruno Barrette (Barrette Legal Inc.)	For the Applicant