

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 265

Date of Decision: 2021-11-29

IN THE MATTER OF AN OPPOSITION

Beavertails Brands Inc. Opponent

and

Chantelle Gorham

Applicant

1,828,663 for Wording 'Beaver Bars' and Design 'Beaver holding Ice Cream Sandwich' **Application**

OVERVIEW

[1] Chantelle Gorham (the Applicant) has applied to register the trademark set out below (the Mark). The application is based on the Applicant's use of the Mark since January 1, 2017 with the following Goods:

0.0
Parallara
Peaver Lais

Class

29

(1) Dairy cream powder.

30

(2) Freeze Dried Ice Cream Bars, Freeze Dried Novelty Dessert Bars, Freeze Dried Confectionery Bars. (3) Confectionery ices; edible ices; frozen

1

confectionery; frozen desserts; ice cream powder

[2] Beavertails Brands Inc. (the Opponent) alleges that the Mark is confusing with its use and registration of its BEAVERTAILS trademarks including the trademark set out below:

BEAVERTAILS	TMA420,972	Goods: (1) Pastry, namely, deep-fried sweet dough, clothing and outerwear, namely, t-shirts, shirts, aprons; accessories, namely, scarves and hats; novelty items, namely, flags, pennants, tote bags, balloons, key chains, mugs, drinking glasses, maps.
		Services: (1) Restaurant services namely take-out restaurant and food services.

[3] For the following reasons, I find that the Applicant has failed to prove that there is no reasonable likelihood of confusion between the Mark and the Opponent's registration for the trademark BEAVERTAILS. I also find that the Mark is not distinctive of the Applicant. Accordingly, the opposition succeeds.

FILE HISTORY

- [4] The application was filed on March 22, 2017. The application was advertised for opposition purposes in the *Trademarks Journal* dated June 6, 2018.
- [5] The Opponent opposed the application on the basis of the grounds of opposition summarized below on November 2, 2018 pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (Act). This Act was amended on June 17, 2019. All references are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act before it was amended (section 70 of the Act).
 - (a) The application does not comply with section 30(b) of the Act.
 - (b) The Applicant could not have been satisfied that she was entitled to use the Mark pursuant to section 30(i) of the Act.
 - (c) The Mark is not registrable pursuant to section 12(1)(d) of the Act as it is confusing with the following registrations:

- i. BEAVERTAILS (TMA420,972);
- ii. BEAVERTAILS & Design (TMA505,220);
- iii. QUEUES DE CASTOR (TMA297,906); and
- iv. QUEUES DE CASTOR & Design (TMA505,115).
- (d) The Applicant is not the person entitled to register the Mark in view of section 16(1)(a) of the Act since the Mark is confusing with the Opponent's previously used trademarks BEAVERTAILS, BEAVER BITES, and QUEUES DE CASTOR.
- (e) The Mark is not distinctive of the Applicant, within the meaning of section 2 of the Act.
- [6] The Applicant filed and served a counter statement. To the extent that the counter statement also contains evidence, it has been disregarded as such evidence was not filed in accordance with rule 42 of the *Trademarks Regulations* (SOR/96-195) (now section 52 of the *Trademarks Regulations* (SOR/2018-227) (the Regulations)).
- [7] The Opponent filed as its evidence the affidavit of Anthony Di Ioia, its Chief Financial Officer. The Applicant filed an affidavit in her name. The Opponent filed written submissions and both parties appeared at a hearing.
- [8] At the hearing, the Opponent submitted that the Applicant's evidence was not filed in the form of an affidavit. While the affidavit filed by the Applicant is missing the words "I do solemnly affirm" at the beginning, the end of the affidavit includes the signature of a notary public under "AFFIRMED BEFORE ME at the City of Greater Sudbury, Ontario, Canada..." As such, I find that the Applicant's evidence meets the requirements of section 49 of the Regulations.

EVIDENTIAL BURDEN AND LEGAL ONUS

[9] While there is an initial evidential burden on an opponent, the legal burden or onus remains on an applicant, on a balance of probabilities [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD) at 298].

GROUNDS OF OPPOSITION

Section 12(1)(d) Ground of Opposition

- [10] The material date for this ground of opposition is the date of my decision [*Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].
- I have exercised my discretion to check the Register to confirm that all of the registrations pleaded with respect to the section 12(1)(d) ground of opposition are extant [Quaker Oats Co of Canada v Menu Foods Ltd (1986), 11 CPR (3d) 410 (TMOB)]. The Opponent has therefore met its initial evidential burden. As I consider the Opponent's best chance of success to be with respect to registration No. TMA420,972, for BEAVERTAILS, I will concentrate my analysis on this trademark. While this registration was recently extended to include the goods below, I have not considered these goods as the statement of opposition was not amended to include them, nor did it reference the application to extend the registration [Schneider Electric Industries SAS v Spectrum Brands, Inc., 2021 FC 518 at paras 44-46]

Statement of goods also includes (through amendment to registration):

- (2) Frozen yogurts, ice creams: ice cream desserts.
- (3) Potato chips.
- (4) Cookie dough, candy, chocolate confections, ice cream, frozen confections, cookie mix, cake mix, biscuit mix, biscuit dough, bread mix, bread dough, dough, chocolate-based spreads, chocolate spread containing nuts, cocoa spreads, caramels, toppings, namely caramel, maple toppings for ice cream and desserts, maple spreads, caramel spreads.

Test to Determine Confusion

[12] The test to determine the issue of confusion is set out in section 6(2) of the Act where it is stipulated 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 and services associated with those trademarks are manufactured, sold or leased by the same person, whether or not the goods and services are of the same general class or Nice class. In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5): the inherent distinctiveness of the trademarks and the extent to which they have become known; the length of time the trademarks have been in use; the nature of the goods and services or business; the nature of the trade; and the degree of resemblance between the trademarks in appearance, or sound or in the ideas suggested by them. The criteria in section 6(5) are not exhaustive and different weight will be given to each one in a contextspecific assessment [Mattel, Inc v 3894207 Canada Inc, 2006 SCC 22, 1 SCR 772 at para 54]. I also refer to Masterpiece Inc v Alavida Lifestyles Inc (2011), 92 CPR (4th) 361 (SCC) at para 49, where the Supreme Court of Canada states that section 6(5)(e), the resemblance between the trademarks, will often have the greatest effect on the confusion analysis.

Analysis of the Section 6(5) Factors

Inherent Distinctiveness

[13] The trademarks at issue are both inherently distinctive, although less so in the case of the Opponent's trademark. To the extent that the beaver is one of Canada's national animals, the inherent distinctiveness of both trademarks is similarly impacted. As the Opponent's trademark BEAVERTAILS suggests the shape of the Opponent's pastry products, the BEAVERTAILS trademarks has less inherent distinctiveness than the Mark which also has a distinctive design element.

Extent Known and Length of Time in Use

- [14] These factors strongly favour the Opponent.
- [15] The Applicant does not provide any evidence of use of its Mark (and the references to the packaging and appearance of the Applicant's products in gift baskets in the Applicant's counter statement cannot be given any weight as material in a counter statement is not evidence).
- [16] Mr. Di Ioia's evidence is:
 - (a) Mr. Di Ioia is the Chief Financial Officer of the Opponent, as well as BeaverTails Canada Inc., an affiliated company of the Opponent that operates 126 franchised and licensed BEAVERTAILS (including its French equivalent QUEUES DE CASTOR) stores in Canada (para 6).
 - (b) The Opponent owns registrations for a number of different trademarks including: BEAVERTAILS (TMA420,972); BEAVERTAILS & Design (TMA505,220), QUEUES DE CASTOR (TMA287,906); and BEAVER BITES (TMA897,376).
 - (c) There is a license between the Opponent and Beavertails Canada Inc. whereby the Opponent has direct control over the character of the Opponent's goods and services performed under the trademarks BEAVERTAILS, QUEUES DE CASTOR and BEAVER BITES (para 9).
 - (d) BEAVERTAILS pastries have been sold since 1978 (para 5). In 2006, the Opponent introduced a new ice-cream sub-product commercialized under the trademarks BEAVER BITES and BEAVERTAILS SUNDAE. These products include deep-fried sweet dough as a component but, as opposed to the original long and flat BEAVERTAILS pastries, they consist of round shaped small pastry "bites" that may be topped with ice cream, gelato, and whipped cream (para 12, Exhibit 4).

(e) Since at least 2010, the Opponent has sold 2 million units of BEAVERTAILS pastries per year in Canada (para 13) and 50,000 portions of BEAVER BITES sundaes which also feature the BEAVERTAILS trademark on their containers (para 14).

Nature of Goods, Services and Trade

- [17] It is the Applicant's statement of goods as defined in its application versus the Opponent's registered goods and services that govern my determination of this factor.
- [18] Although food items belong to the same general class of goods and are sold in the same stores, they may also be of an intrinsically different nature [Oshawa Holdings Ltd v Fjord Pacific Marine Industries Ltd. (1981), 55 CPR (2d) 39 at 44 (FCA); Clorox Co. v Sears Canada Inc. (1992), 41 CPR (3d) 483 (FCTD) at 490]. However, I do not consider this to be the case here. Rather, the parties' goods are both desserts. While the Applicant submits in her affidavit that "BEAVERTAILS (Opposition) is suggesting that their product of deep-fried sweet dough served in take out restaurant setting is somehow similar and likely to be confused with freeze dried ice cream (aka Astronaut ice cream)", the statement of goods in the application goes far beyond freeze dried ice cream. Second, it is not confusion between each party's goods and services which is considered rather it is whether there is any confusion between the source of the goods and services. Finally, the Opponent sells BEAVER BITES under the BEAVERTAILS brands which include small pastry "bites" which may be topped with ice cream (Di Ioai affidavit, para 12, Exhibit 4).
- [19] The Applicant submits that the nature of trade of the Goods and the Opponent's registered goods are different. First, neither the application, nor the registration restricts the channels of trade. Second, even if I accept the Applicant's submission, in the absence of evidence, that its Goods would be sold in museum gift shops and the like, the Opponent's goods and services are also sold and provided at tourist events and attractions including Niagara Falls (Exhibit 5C), the Olympics in British Columbia, Byward Market in Ottawa, and the Toronto Waterfront (Exhibit 5E), as well as at festivals and events (Exhibit 8).

Degree of Resemblance

[20] The Mark and the BEAVERTAILS trademark resemble each other to a fair degree in appearance, sound and idea suggested. The resemblance in appearance and sound is attributable to the shared first portion of the trademarks. With respect to idea suggested, the Opponent's trademark suggests a specific part of a beaver, namely, its tail and in the context of the Opponent's goods – a beaver tail shaped dessert. In contrast, the Mark suggests the animal more generally and by virtue of the word bar and the prominent design in the Mark – a bar shaped dessert.

Surrounding Circumstance – State of the Register

- [21] State of the register and marketplace evidence favours an applicant when the presence of a common element in trademarks causes purchasers to pay more attention to the other features of the trademarks, and to distinguish between them by those other features [*McDowell v Laverana GmbH & Co KG*, 2017 FC 327 at para 42].
- [22] While the Applicant references over 800 registered trademarks containing the word BEAVER with 50 registered with edibles and consumables in her evidence, there is no evidence of these registrations [see section 49 of the Trademarks Regulations which sets out that evidence in oppositions must be filed by way of affidavit, declaration or certified copy]. Further, the Registrar does not exercise discretion to take cognizance of third party applications and registrations [*Quaker Oats of Co of Canada Ltd*, supra]. Finally, there is no evidence that any of the trademarks are in use in the marketplace by third parties.

Conclusion

[23] Having considered all of the surrounding circumstances, I find that the Applicant has not met the legal onus to prove, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's registered trademark BEAVERTAILS.

- [24] I reach this conclusion despite only a fair degree of resemblance between the trademarks, due to the extent of and length of time of use of the Opponent's BEAVERTAILS trademark and the significant overlap between the Goods and the Opponent's registered goods.
- [25] I find that an average consumer seeing the Mark in association with the Goods and having only a vague recollection of the Opponent's BEAVERTAILS trademark, may infer that the Goods were sold or otherwise emanate from or were licensed, approved or sponsored by the owner of the BEAVERTAILS registration. As such, the Applicant has failed to prove on a balance of probabilities that there is no reasonable likelihood of confusion. Accordingly, this ground of opposition is successful.

Section 2 Ground of Opposition

- [26] The Opponent also alleges that the Mark does not actually distinguish the Goods from the goods and services of the Opponent.
- [27] The assessment of this ground of opposition differs from that under section 12(1)(d) and is November 2, 2018, the filing date of the statement of opposition [Metro-Goldwyn-Mayer Inc v Stargate Connections Inc 2004 FC 1185]. In order to meets its initial evidential burden under this ground of opposition, the Opponent needs to show that one of its relied upon BEAVERTAILS trademarks has become known sufficiently to negate the distinctiveness of the Mark [Bojangles' International, LLC v Bojangles Café Ltd 2006 FC 657]. To do so, the Opponent must establish that its trademark is either known to some extent in Canada or is well known in a specific area of Canada [Bojangles, supra at paras 33-34].
- [28] Mr. Di Ioia's evidence satisfies the Opponent's initial evidential burden. Although the material date for distinctiveness is over three years earlier than today's date, the difference in dates does not result in a different outcome as the Opponent has evidenced sufficient use of its BEAVERTAILS trademark as of November 2, 2018. Therefore, the section 2 ground succeeds on the basis of a reasonable likelihood of confusion between the Mark and the Opponent's trademark BEAVERTAILS for the same reasons as those set out under my discussion of the section 12(1)(d) ground.

Remaining Grounds of Opposition

[29] As I have already refused the application under two grounds, I will not address the remaining grounds of opposition.

DISPOSITION

[30] 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.

Notalia da Daulsan

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: 2021-07-28

Appearances

Gabriel St-Laurent For the Opponent

Chantelle Gorham For the Applicant

Agents of Record

ROBIC For the Opponent

No Agent Appointed For the Applicant