



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2022 TMOB 113

Date of Decision: 2022-06-06

IN THE MATTER OF AN OPPOSITION

BrewDog PLC	Opponent
and	
PDM Parthian Distributer & Marketing Adviser GmbH	Applicant
1,710,164 for BLACK PUNK	Application

INTRODUCTION

[1] BrewDog PLC (the Opponent) opposes registration of the trademark BLACK PUNK (the Mark), which is the subject of application No. 1,710,164 by PDM Parthian Distributer & Marketing Adviser GmbH (the Applicant).

[2] The Mark is applied for in association with “Non-alcoholic beverages, namely non-alcoholic energy drinks”.

[3] The opposition is primarily based on an allegation that the Mark is confusing with the Opponent’s PUNK trademark, previously used in Canada in association with beer products.

THE RECORD

[4] The application for the Mark was filed on January 9, 2015, originally applied for in association with a variety of alcoholic and non-alcoholic beverage products, on the basis of proposed use in Canada.

[5] The application was advertised for opposition purposes on December 21, 2016. Numerous amendments to the *Trademarks Act*, RSC 1985, c T-13 (the Act) came into force on June 17, 2019. Pursuant to section 70 of the Act, the grounds of opposition will be assessed based on the Act as it read immediately before June 17, 2019, an exception being that, with respect to confusion, sections 6(2) to (4) of the Act as it currently reads will be applied.

[6] On February 21, 2018, the Opponent opposed the application by filing a statement of opposition under section 38 of the Act. The grounds of opposition are based on non-compliance with sections 30(a), 30(e), and 30(i) of the Act; non-entitlement under section 16 of the Act; and non-distinctiveness under section 2 of the Act.

[7] The Applicant filed a counter statement denying the grounds of opposition.

[8] In support of its opposition, the Opponent filed the affidavit of Hershel Perera, sworn December 4, 2018 in Toronto (the Perera Affidavit). Mr. Perera was not cross-examined.

[9] The Applicant elected not to file evidence. Only the Opponent submitted written representations; only the Applicant was represented at an oral hearing.

[10] I note that, over the course of the proceeding, the Applicant filed two amended applications. The first amended application removed, *inter alia*, any alcoholic beverage products from the statement of goods, and was made of record in December 2019. The second amendment limited the application to the current statement of goods, and was made of record in October 2020. I note that the second amendment was made after the Opponent submitted and served its written representations.

OVERVIEW OF THE OPPONENT'S EVIDENCE

Perera Affidavit

[11] Mr. Perera is the International Market Manager of the Opponent [para 1]. He states that the Opponent is a British corporation headquartered in Scotland, which began brewing and marketing beer under the name BREWDOG in the UK in 2007 [para 4]. He states that the Opponent started brewing an India pale ale (IPA) under the trademark PUNK in 2009, which has

been the Opponent's "most popular beer to this day" [para 5]. Mr. Perera asserts that, in Canada, the Opponent has been using the PUNK trademark in association with beverages, such as beer, since at least as early as September 8, 2010 [para 11]. In this respect, the Perera Affidavit evidences the following:

- The Opponent's history and business [paras 4 to 7, Exhibits A and B].
- The registration of the Opponent's PUNK trademark in other jurisdictions [para 8, Exhibit C], and the Opponent's application for the trademark PUNK in Canada in association with a variety of goods and services (per application No. 1,759,095) [paras 9 and 10, Exhibit D]. I note this application was filed in December 2015 – after the application for the Mark – but subsequently proceeded to registration in December 2018 in association with "beer" and "lager". In any event, however, the Opponent is not relying on such registration in this opposition.
- Use of the PUNK trademark in Canada since September 2010, including sales of PUNK-brand beers through provincial liquor stores [para 12, Exhibit E] and directly to bars and restaurants [para 13, Exhibit F], with annual sales numbers from 2015 to 2018 (*e.g.*, in excess of \$130,000 in 2015) [para 14].
- Promotion of the PUNK trademark in Canada through: direct in-store marketing campaigns [para 15, Exhibit G]; sales of PUNK-branded merchandise, such as clothing and novelty signs [para 16, Exhibit H]; and print and online advertising [para 17, Exhibit I].
- Press coverage of the Opponent and its PUNK-branded products in Canada, including seven online articles in publications such as *Canadian Beer News* and *The Toronto Star* [para 18, Exhibit J].
- Promotion of PUNK beer via social media, through the Opponent's BrewDog Canada Facebook and Instagram accounts [para 19, Exhibit K].
- The promotion and reputation of the Opponent and its products in the UK and internationally, including the opening and operation of BREWDOG craft beer bars in

various countries, and press coverage of the Opponent’s marketing activities outside of Canada [paras 20 to 24, Exhibits L and P].

- The Opponent’s crowdfunding program called Equity for Punks, which allows individuals to purchase shares in the Opponent’s company to obtain, *inter alia*, discounts from the BrewDog online shop and at BrewDog craft beer bars. Mr. Perrera notes that “shares are available for purchase by Canadians”, and he asserts that this crowdfunding program has solidified the association between the Opponent and the term “punk” in the minds of consumers [para 25, Exhibit Q].

[12] I note that, throughout the exhibits, the Opponent’s trademark is primarily displayed as part of the PUNK IPA logos shown below, or in minor variations thereof:



EVIDENTIAL BURDEN AND LEGAL ONUS

[13] In accordance with the usual rules of evidence, there is an evidential burden on the Opponent to prove the facts inherent in its allegations pleaded in the statement of opposition [*John Labatt Ltd v Molson Companies Ltd*, 1990 CarswellNat 1053 (FCTD)]. The presence of an evidential burden on the Opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist.

[14] For those allegations for which the Opponent has met its evidential burden, the legal onus is on the Applicant to show that the application does not contravene the provisions of the Act as alleged in the statement of opposition. The presence of a legal onus on an Applicant means that, if a determinate conclusion cannot be reached once all the evidence has been considered, then the issue must be decided against it.

GROUND SUMMARILY REJECTED

[15] The Opponent pleads grounds based on sections 30(a) and section 30(e) of the Act.

[16] With respect to the ground based on section 30(a) of the Act, as the Opponent did not put forward any evidence or substantive argument in support of its pleading, it fails to meet its initial evidential burden. In any event, I note that “energy drinks” is an acceptable active listing in the *Goods and Services Manual*, effective since October 6, 2009.

[17] With respect to the ground based on section 30(e) of the Act, as the Opponent’s evidence does not address its pleading, it fails to meet its initial evidential burden.

[18] In view of the foregoing, these grounds are rejected.

SECTION 16(3)(A) GROUND – CONFUSING WITH A PREVIOUSLY USED TRADEMARK

[19] The Opponent pleads that, pursuant to section 16(3) of the Act, the Applicant is not the person entitled to registration of the Mark in association with the goods. In particular, it pleads that, as of the date of the filing of the application and at all relevant times thereafter, the Mark was confusing with the Opponent’s PUNK trademark which has previously been used in Canada.

[20] In order to meet its initial burden under this ground, the Opponent was required to show that it had used its trademark in Canada prior to the filing date of the application for the Mark, namely January 9, 2015. Furthermore, the Opponent was required to establish non-abandonment of its trademark as of the date of advertisement of the application for the Mark, namely December 21, 2016.

[21] In its representations, the Opponent submits that it satisfies this initial burden due to the evidence of use of its PUNK trademark in association with beer in Canada since September 2010, including via sales in provincial liquor stores and sales to restaurants and bars [Opponent’s written representations at para 34, citing the Perera Affidavit at paras 11 to 13 and Exhibits E and F].

[22] At the hearing, the Applicant submitted that, at best, the trademark used by the Opponent was PUNK IPA (as illustrated by the PUNK IPA logos displayed on the beer cans depicted

above). In any event, it further submitted that any sales of the Opponent's PUNK or PUNK IPA beer prior to 2014 was "seasonal" at most. In this respect, the Applicant directed attention to the exhibited *Toronto Star* article "Brewdog Punk IPA hops to it" dated January 13, 2010, that refers to the Opponent's Punk IPA as "available in Ontario as part of the LCBO's winter seasonal offerings" [Perera Affidavit at Exhibit J]. The Applicant also directed attention to the exhibited *Ben's Beer Blog* article, "Scotland's Brew Dog is coming to Ontario" dated November 21, 2014, that refers to the Opponent's draught beer products as "coming to Ontario ... as early as next week" with "tall boys of Punk IPA ... projected [for] retail sales in mid 2015". As such, the Applicant submitted that it can be inferred from the evidence as a whole that the Opponent had actually abandoned its PUNK trademark in Canada sometime between its "seasonal offering" in provincial liquor stores in 2010 and the debut of its draught offerings in Canadian bars and restaurants sometime in late 2014 or 2015.

[23] As shown in the Perera Affidavit, the Opponent's trademark was typically displayed in the form of a PUNK IPA logo, with the IPA element in the same font as the PUNK element, whether it be on beer cans (Exhibit E) or draught tap handles (Exhibit F). However, I consider the IPA element to be descriptive of the goods sold by the Opponent, namely India pale ale. As such, I accept any evidenced use of the Opponent's PUNK IPA logos as constituting use of the trademark PUNK for the purposes of this ground.

[24] Furthermore, although the Opponent furnished no sales figures prior to 2015, Mr. Perera makes clear assertions of use of the Opponent's PUNK trademark since September 2010 at paragraphs 11 to 13 of his affidavit, and gives representative examples of such. In my view, the aforementioned third-party articles do not clearly contradict those statements, and I note that the Opponent chose not to cross-examine Mr. Perera on his statements. In any event, at a minimum, the Applicant acknowledged that the evidence shows use of the Opponent's PUNK IPA trademark in association with draught beer since late 2014. As the material date for this ground is January 9, 2015 and there is no evidence that the Opponent abandoned its trademark as of the date of advertisement of the opposed application (December 21, 2016), the Opponent meets its initial burden under this ground.

[25] As the Opponent has met its initial burden, the Applicant must establish, on a balance of probabilities, that there was no reasonable likelihood of confusion between the Mark and the Opponent's trademark as of January 9, 2015.

Test to determine confusion

[26] The test to determine the issue of confusion is set out in section 6(2) of the Act which provides that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class or appear in the same class of the Nice Classification.

[27] 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 Mark in association with the applied-for goods at a time when they have no more than an imperfect recollection of the Opponent's trademark and does not pause to give the matter any detailed consideration or scrutiny [see *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 at para 20].

[28] In making such an assessment, all the relevant surrounding circumstances must be taken into consideration, including those listed in section 6(5) of the Act: 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, 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.

[29] The criteria or factors in section 6(5) of the Act are not exhaustive and different weight will be given to each one in a context-specific assessment [*Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 54]. In *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, the Supreme Court of Canada stated that section 6(5)(e), the resemblance between the trademarks, will often have the greatest effect on the confusion analysis [at para 49] and that, while the first word in the trademark may be the most important in some cases, the preferable approach is to consider whether there is an aspect of the trademark that is particularly "striking or unique" [at para 64].

Inherent Distinctiveness and the Extent Known

[30] In its representations, the Applicant submitted that the term PUNK is not particularly distinctive, arguing that, as the Opponent's own marketing is directed at "punk" subculture, the Opponent's PUNK and/or PUNK IPA trademarks are at least suggestive of the likely consumer of the Opponent's beer products. For example, one of the advertisements for the Opponent's Equity for Punks crowdfunding program includes the tagline "ARE YOU AN EQUITY FOR PUNKS, PUNK?" [Perera Affidavit at Exhibit Q].

[31] However, there is no evidence before me that PUNK is a term commonly associated with beer products or the applied-for energy drink goods. Although PUNK is a dictionary word, it is not descriptive of the relevant goods and therefore has some inherent distinctiveness in relation to the Opponent's beer products.

[32] As such, the applied-for Mark also has some inherent distinctiveness, albeit as a combination of the dictionary words BLACK and PUNK. However, in my view, its inherent distinctiveness is derived from the same word (PUNK) as the Opponent's trademark, with the BLACK element being an adjective and/or modifier of PUNK.

[33] Furthermore, there is no evidence before me regarding the extent to which the Mark has become known, as of the material date or otherwise. In contrast, while the evidence of use and extent known largely post-dates the material date under this ground, I accept that there is at least some evidence that the Opponent's trademark has become known in Canada since 2010.

[34] Accordingly, this factor favours the Opponent.

Length of Time in Use

[35] Notwithstanding the abovementioned submissions of the Applicant, I accept that the Opponent has evidenced use of its trademark since September 2010, whereas the application for the Mark is based on proposed use.

[36] Accordingly, this factor favours the Opponent.

Nature of the Goods, Services or Business / Nature of the Trade

[37] In its representations, the Applicant emphasized that the nature of the parties' goods differ, as the Opponent's relevant goods are limited to beer and India pale ale in particular, whereas the applied-for goods are non-alcoholic energy drinks. It submitted that, even with a generous reading of the Perera Affidavit, sales of the Opponent's beer goods as of the material date were limited to draught sales at bars and restaurants and some seasonal sales through provincial liquor stores. In contrast, the Applicant submitted that energy drinks are not sold through these channels, and would likely be sold through convenience stores and other retail outlets. The Applicant noted that there was no evidence that such other retail outlets also sold beer products as of the material date and, in any event, there was no evidence that the Opponent in particular sold its PUNK IPA products through any channels of trade other than through provincial liquor stores, or on draught at bars and restaurants.

[38] Although the Opponent's written representations were submitted prior to the subject application being limited to energy drinks, for its part, the Opponent submits that, given that the Applicant's goods "directly and indirectly overlap with the Opponent's Goods, there is a reasonable likelihood of confusion for the average consumer, who would be the same average consumer for both parties' goods" [para 50]. In particular, the Opponent notes that the Applicant "has not submitted any evidence as to its channels of trade" and submits that non-alcoholic beverages "have broader channels of trade than alcoholic beverages" and that "given the direct and indirect overlap between the parties' goods, it is reasonable to conclude that the parties' respective goods are likely to travel through the same or similar channels of trade and be directed to similar or the same consumers" [para 54].

[39] In this case, while the Opponent's goods are alcoholic and the Applicant's applied-for goods are non-alcoholic, on a basic level they are both in the nature of beverages. Furthermore, to the extent that the channels of trade differ and/or would have differed as of the material date, it was incumbent on the Applicant to furnish evidence of such.

[40] Accordingly, these factors favour the Opponent.

Degree of Resemblance

[41] In its representations, as noted above, the Applicant argued that the trademark evidenced to have actually been used by the Opponent was the composite trademark PUNK IPA. Accordingly, it argued that the IPA portion of the Opponent's trademark significantly diminishes the degree of resemblance between it and the applied-for Mark, BLACK PUNK.

[42] However, at a minimum, both parties' trademarks have some resemblance in sound and appearance given the common PUNK element, which I consider the striking element of both parties' trademarks. In this respect, I agree with the Opponent that both parties' trademarks are "dominated by (or entirely consisting of) the word PUNK" [para 60]. While its not clear what idea is suggested by the Mark as a whole, I agree with the Opponent that BLACK PUNK may be understood to be the "black" variety of the Opponent's PUNK or PUNK IPA beverage products.

[43] Accordingly, this factor favours the Opponent.

Conclusion – Confusion with the Opponent's Trademark

[44] Having considered all of the surrounding circumstances, I find that the Applicant has not met its legal burden with respect to the likelihood of confusion between the parties' trademarks. While the Applicant made somewhat compelling arguments with respect to each of the statutory factors at the hearing, at best for the Applicant, I find the balance of probabilities regarding the likelihood of confusion to be evenly balanced. I reach this conclusion due to the degree of resemblance between the trademarks, whether the Opponent's trademark is considered to be PUNK or PUNK IPA, and in the absence of any evidence from the Applicant to otherwise shift the other statutory factors from favouring the Opponent. As the onus is on the Applicant to show, on a balance of probabilities, that there was no likelihood of confusion, I must find against the Applicant.

[45] In view of the foregoing, the section 16 ground of opposition is successful.

SECTION 2 GROUND – NON-DISTINCTIVENESS

[46] The Opponent pleads that the Mark is not distinctive of the Applicant’s goods, nor is it adapted to distinguish the Applicant’s goods from the goods and services of others, including the goods of the Opponent.

[47] The material date for this ground is the filing date of the opposition, February 21, 2018 [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185].

[48] Section 2 of the Act, as it then was, defined “distinctive” as follows:

distinctive, in relation to a trademark, means a trademark that actually distinguishes the goods or services in association with which it is used by its owner from the goods or services of others or is adapted so to distinguish them.

[49] A trademark “actually distinguishes” by acquiring distinctiveness through use, resulting in distinctiveness in fact. On the other hand, a trademark that is “adapted so to distinguish” is one that does not depend upon use for its distinctiveness because it is inherently distinctive [see *Astrazeneca AB v Novopharm Ltd*, 2003 FCA 57 at para 16].

[50] In this case, there is no evidence with respect to the trademarks, goods, or services of any “others”, as referenced in the pleading. Accordingly, the initial burden is on the Opponent to prove that, as of the material date, its trademark was known to some extent in Canada in association with the relevant goods and had a reputation in Canada that was “substantial, significant or sufficient” so as to negate the distinctiveness of the Mark [see *Bojangles’ International, LLC v Bojangles Café Ltd*, 2006 FC 657 at paras 33 and 34; and *Canadian Dental Association v Ontario Dental Assistants Association*, 2013 FC 266 at para 42, aff’d 2013 FCA 279]. In *Auld Phillips Ltd v Suzanne’s Inc*, 2005 FCA 429, albeit in the context of an expungement proceeding under section 57 of the Act, the Federal Court of Appeal stated that “Obviously, it will be a rare occurrence when one party is in a position to cause a mark to lose its distinctiveness, but nothing in principle prevents this result” [at para 7].

[51] In this case, while there is some evidence that the Opponent’s PUNK trademark was known in Canada as of the material date, I note that, at best, any use appears limited to India pale ale beer products and related merchandise. In any event, although there is no evidence of use of

the Mark as of the material date, I am not satisfied that the evidence establishes substantial, significant or sufficient reputation in the Opponent's PUNK trademark so as to negate the inherent distinctiveness of the Mark.

[52] Accordingly, as the Opponent fails to meet its initial burden, the section 2 ground of opposition is rejected.

30(i) GROUND – NON-COMPLIANCE

[53] The Opponent pleads that the application does not conform to the requirements of section 30(i) of the Act. In particular, the Opponent pleads that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the applied-for goods, as the Mark was and is confusing with the Opponent's PUNK trademark that had previously been used in Canada.

[54] Section 30(i) of the Act, as it then was, merely required that an applicant include a statement in its application that it is satisfied that it is entitled to use its trademark in Canada in association with the goods or services described in the application.

[55] Where this statement has been provided, a section 30(i) ground should only succeed in exceptional cases, such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co Ltd v Bristol-Myers Co*, 1974 CarswellNat 476 (TMOB)]. Knowledge of the existence of an opponent's trademark does not in and of itself support an allegation that an applicant could not have been satisfied of its entitlement to use its trademark [*Woot, Inc v WootRestaurants Inc*, 2012 TMOB 197].

[56] In this case, the requisite statement was provided, and there is no evidence that this is an exceptional case.

[57] Accordingly, the ground based on section 30(i) of the Act is rejected.

DISPOSITION

[58] In view of all of the foregoing, pursuant to section 38(12) of the Act and the authority delegated to me under section 63(3) of the Act, I refuse the application.

Andrew Bene
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE: 2022-04-11

APPEARANCES

No one attending	For the Opponent
Stephen Leach	For the Applicant

AGENTS OF RECORD

Marks & Clerk	For the Opponent
Ridout and Maybee LLP	For the Applicant