



# Canadian Intellectual Property Office

## THE REGISTRAR OF TRADEMARKS

**Citation:** 2023 TMOB 098

**Date of Decision:** 2023-06-12

## IN THE MATTER OF AN OPPOSITION

**Opponent:** Pelee Island Winery & Vineyards Inc.

**Applicant:** Colmado Casa Lola, S.L.

**Application:** 1,913,996 for LOLEA (figurative)

### INTRODUCTION

[1] Colmado Casa Lola, S.L. (the Applicant) applied to register the trademark LOLEA (figurative) (the Mark) shown below on August 8, 2018.



[2] The application is for use of the Mark in Canada in association with liqueurs; wine; sangria (the Goods). The application claims a priority filing date of March 12, 2018. The application was advertised in the *Trademarks Journal* on September 23, 2020.

[3] On September 25, 2020, Pelee Island Winery & Vineyards Inc. (the Opponent), filed a statement of opposition against the Mark pursuant to section 38 of the *Trademarks Act*, RSC 1985, c. T-13 (the Act).

[4] In support of its opposition, the Opponent submitted the affidavit of Darryl MacMillan, its Sales and Marketing Manager. In support of its application, the Applicant submitted the affidavit of Raúl Borreguero Martín, its Financial Director Officer and the affidavit of Sarah Baird, a trademark paralegal employed by the Applicant's firm.

[5] Both parties filed written representations, however, only the Applicant attended the hearing.

#### **GROUND OF OPPOSITION**

[6] The grounds of opposition are:

- The Mark is not registrable in view of section 12(1)(d) of the Act as it is confusing with the Opponent's registration for LOLA, registered under No. TMA979,706 for wine;
- Pursuant to section 16(1)(a) of the Act, the Applicant is not the person entitled to registration since at the date of first use in Canada, the Mark was confusing with the Opponent's LOLA trademark previously used in Canada.
- Pursuant to section 2 of the Act, the Mark is not distinctive of the Applicant owing to the Opponent's prior use of its LOLA trademark.

[7] The material dates are the date of my decision with respect to the section 12(1)(d) ground; March 12, 2018 with respect to the entitlement ground as the Applicant's evidence is that use of the Mark only commenced in Canada after the

priority filing date (see section 16(1) of the Act and Martín affidavit, para 7); and the date of filing a statement of opposition (September 25, 2020) with respect to the distinctiveness ground [see *American Retired Persons v Canadian Retired Persons* (1998), 84 CPR (3d) 198 at 206–209 (FCTD)].

### **LEGAL ONUS AND EVIDENTIAL BURDEN**

[8] An applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, an opponent must first adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].

### **ANALYSIS**

#### ***Registrability Ground***

[9] The Opponent pleads that the Mark is not registrable in that, pursuant to section 12(1)(d) of the Act, it is confusing with the Opponent's registered LOLA trademark. I have exercised my discretion to check the register and confirm this registration remains extant [*Quaker Oats Co of Canada Ltd v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. The Opponent has therefore met its initial evidential burden. The Applicant must therefore prove on a balance of probabilities that there is no reasonable likelihood of confusion between the Mark and the Opponent's trademark.

#### **Are the Trademarks Confusing?**

[10] The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated 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 each has 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 enumerated factors need not be accorded equal weight [see, in general, *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22, *Veuve Cliquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 and *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27].

#### Inherent Distinctiveness

[11] This factor favours the Applicant. A trademark is inherently distinctive if it is unique or is an invented or coined name. The Opponent's registered trademark LOLA is a given name as shown by Ms. Baird's evidence that the dictionary definition of LOLA is a given name (Exhibits A and C) as well as being the first name of many individuals in Canada (Exhibit H). The Opponent's registration appears in capital lettering so is not restricted to any particular font or colour [*Les Restaurants La Pizzaiolle Inc v Pizzaiolo Restaurants Inc*, 2015 FC 240]. As the Opponent's LOLA trademark is comprised of a given name, it has a low degree of inherent distinctiveness [*Glaskoch B. Koch Jr GmbH & Co KG v Anglo Canadian Mercantile Co* (2006), Carswell Nat 5362 (TMOB)]. In contrast, the Mark is a design mark featuring a coined word with no dictionary definition in the online dictionaries *dictionary.com* and *collinsdictionary.com* (Baird affidavit, Exhibits B,D).

#### Acquired Distinctiveness and Length of Time in Use

[12] The acquired distinctiveness of a trademark is enhanced through use and promotion in Canada. The Opponent's trademark LOLA appears on labels of wine including LOLA branded vidal, pinot grigio, merlot and carbernet franc rose amongst others (MacMillan affidavit, Exhibits B and D). LOLA brand wines are promoted by the LCBO and the Opponent has paid over \$585,000 in promotional expenses to the LCBO in 2019-2020 which increased from over \$65,000 in 2016-2017 (para 8). Sales of the LOLA brand wine have increased from 4,000 cases in 2016 to over 77,000 cases in 2020 (para 4). The Opponent's LOLA brand of wine has also acquired distinctiveness through advertisements placed by the LCBO and press attention due to a number of different awards and reviews (para 9; Exhibit D).

[13] The Applicant's wine has acquired less distinctiveness and has been in use less time as compared to the Opponent's LOLA trademark. The Applicant's Mark appears on labels of wine (Martín affidavit, Exhibit A). Sales of LOLEA brand wine in Canada began in 2019 with over 10,000 cases sold and over 17,000 cases sold in 2020 (para 12). Advertising also commenced in 2019 with advertising spend being just under \$100,000 increasing to over \$160,000 in 2020 (para 14).

#### Nature of the Goods and the Channels of Trade

[14] The Opponent's registered goods and the Applicant's Goods are identical and target the same consumer (adults seeking alcoholic drinks). There is evidence that they are sold in the same channels of trade, including the LCBO (Mártin affidavit, para 10; MacMillan affidavit, para 6).

#### Similarity in Appearance, Sound or Idea Suggested

[15] The resemblance between the trademarks is often the statutory factor likely to have the greatest influence on the confusion analysis [*Masterpiece* at 49].

[16] When considering the degree of resemblance, the law is clear that the trademarks must be considered in their totality. It is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trademarks.

[17] Considering the Mark and the Opponent's trademark as a whole through the eyes of the casual consumer, my assessment is that the differences between the word component in the trademark results in trademarks which sound different and suggest different ideas to consumers (a given name vs a coined word with no particular meaning).

[18] That being said, the trademarks have some degree of visual resemblance given the similarities in the word component of the Mark which only differs from the Opponent's by the letter E. The graphic design element, however, is also a dominant element in the Mark due to its prominence in the design. It is made up of distinctive graphic elements and colours, the combination of which results in the Mark having a

different appearance than the Opponent's trademark when considered as a whole. As such, this case can be distinguished from the Federal Court of Appeal's decision in *Pizzaiolo Restaurants Inc v Les Restaurants La Pizzaiolle Inc*, 2016 FCA 265 which held that the Registrar should take into account that an opponent's word mark should be assessed with the understanding that future presentations could be used in any style, font or colour [see by analogy *Domaines Pinnacle Inc v Constellation Brands Inc*, 2016 FCA 302 and *Arterra Wines Canada, Inc v Diageo North America, Inc*, 2020 FC 508].

#### State of the Register Evidence

[19] The state of the Register evidence in the Baird Affidavit does not favour the Applicant.

[20] Ms. Baird attaches five third party registrations for trademarks containing the name LOLA for use in association with different types of alcoholic beverages (Exhibit J).

[21] I find that five third party registrations are not sufficient to draw inferences as to the commonality of the name LOLA in trademarks for alcoholic beverages in Canada. Since a significant number of pertinent registrations have not been 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); and *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)], the state of the register does not favour the Applicant. Therefore, I am unable to conclude that there is common use of the component LOLA such that I can infer that consumers are accustomed to distinguishing between trademarks including this component by paying more attention to the differences between them [*Advance Magazine Publishers Inc v Farleyco Marketing Inc Eyeglasses*, 2009 FC 153 at para 78].

#### No Evidence of Actual Confusion

[22] I do not find the lack of evidence of actual confusion to be a factor which favours the Applicant. While an Opponent is not under an obligation to file evidence of actual confusion, the failure to file such evidence in the face of an extensive period of coexistence may result in a negative inference being drawn [see *Mattel, supra*].

However, I am not satisfied that the Opponent's failure to file evidence of actual confusion favours the Applicant given that the sales of the Applicant's products have been limited to relatively few years.

#### Conclusion – Confusion Analysis

[23] In the case of given names marks, they are considered weak marks such that small differences may suffice to distinguish one mark from the other [see *Sarah Coventry Inc v Abrahamian* (1984), 1 CPR (3d) 238 (FCTD) at 240; *Joseph Ltd v XES-NY Ltd* (2005), 44 CPR (4th) 314 (TMOB), *Prince Edward Island Mutual Insurance Co. v. Insurance Co. of Prince Edward Island* (1999), 86 CPR (3d) 342 (FCTD) at paras 32-34 and *Provigo Distribution Inc v Max Mara Fashion Group SRL* 2005 FC 1550 at para 31 (FCTD)].

[31] 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 Goods when he or she has no more than an imperfect recollection of the Opponent's LOLA trademark, and does not pause to give the matter any detailed consideration or scrutiny [*Veuve Clicquot, supra* at para 20].

[24] While the Opponent has established that its trademark is known to a significant extent in Canada and that the nature of the goods and trade overlap, the Opponent's trademark is a weak trademark. In view of this and the differences between the trademarks, I conclude that the balance of probabilities between finding that there is no reasonable likelihood of confusion, and finding that there is a reasonable likelihood of confusion, falls slightly in favour of the Applicant.

#### ***Non-Entitlement and Distinctiveness Grounds***

[25] The Opponent's evidence described in paragraph 12 of this decision is sufficient to meet its evidential burden. While I acknowledge that the acquired distinctiveness and length of use of the Mark would be non-existent as of the material date, and less at the material date for distinctiveness, I nonetheless find that the Applicant has met its legal onus as consumers would be able to distinguish between the Mark and the Opponent's

weak trademark by virtue of the differences in the parties' trademarks including in appearance, sound and idea suggested.

**DISPOSITION**

[26] For the reasons provided above and pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(12) of the Act.

---

Natalie de Paulsen  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office



# Appearances and Agents of Record

**HEARING DATE:** 2023-02-21

## **APPEARANCES**

**For the Opponent:** No one appearing

**For the Applicant:** Jacky Wong

## **AGENTS OF RECORD**

**For the Opponent:** Perley-Robertson, Hill & McDougall LLP

**For the Applicant:** Borden Ladner Gervais LLP