

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 016

Date of Decision: 2024-01-31

IN THE MATTER OF AN OPPOSITION

Opponent: Blue Grouse Estate Winery ULC

Applicant: 1 Blue Goose Developments Inc.

Application: 1,893,600 for BLUE GOOSE

OVERVIEW

[1] On April 13, 2018, the predecessor-in-title of 1 Blue Goose Developments Inc. filed an application to register the trademark BLUE GOOSE (the Mark) in association with the following Goods in the Nice Classes noted below:

Class 16 - (1) Stickers, adhesive labels, posters

Class 21 - (2) Beer related glassware and merchandise, namely, glasses, growlers and howlers

Class 25 - (3) Clothing and headwear, namely casual clothing, t-shirts, hooded sweatshirts, sports caps and hats

Class 32 – (4) Beer

The application claims use of the Mark in association with beer since at least as early as February 1, 2018. The remainder of the Goods were filed for on the basis of proposed use.

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

THE RECORD

[3] The application was advertised for opposition in the *Trademarks Journal* of December 15, 2021. On February 11, 2022, the predecessor of the Opponent opposed the application by filing a statement of opposition pursuant to section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act).

[4] The Opponent raises grounds of opposition based on sections 12(1)(d), 16(1)(a), 16(1)(c) of the Act and non-distinctiveness primarily on the basis of confusion with the Opponent's trademarks and trade names including BLUE GROUSE and BLUE GROUCH used in association with a variety of goods and services including wine and the operation of a winery.

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

[6] The Opponent filed as its evidence (a) the affidavit of Paul Brunner, Director of its predecessor, Blue Grouse Estate Winery Ltd., and (b) the affidavit of Katy Stambaugh, VP, Legal Counsel at Jackson Family Wines. Ms. Stambaugh's affidavit relates to the assignment of the Opponent's trademark by its predecessor to it and will not be discussed further. The Applicant filed a certified copy of the revised application for the Mark submitted to the Registrar on August 17, 2021 in response to an Examiner's office action.

ONUS AND LEGAL BURDEN

[7] The legal onus is on the Applicant to show that the application complies with the provisions of the Act. However, 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. Once this initial burden is met, the Applicant must satisfy the Registrar, on a balance of probabilities, that the grounds of opposition pleaded should not prevent the registration of the Mark [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298, 1990 CanLII 11059; *Dion Neckwear Ltd v Christian Dior, SA*, 2002 FCA 29].

MATERIAL DATES





[8] Each of the grounds of opposition turns on the issue of confusion. The material dates to assess the issue of confusion are the date of my decision with respect to the section 12(1)(d) ground; the date of filing the application (April 13, 2018) with respect to the entitlement grounds; and the date of opposition (February 11, 2022) with respect to the distinctiveness ground: for a review of case law concerning material dates in opposition proceedings see *American Retired Persons v Canadian Retired Persons* (1998), 84 CPR (3d) 198 at 206 - 209 (FCTD).

REASONS FOR DECISION

Section 12(1)(d) Ground of Opposition

[9] Pursuant to section 12(1)(d) of the Act, the Opponent pleads that the Mark is not registrable because it is confusing with one or more of its BLUE GROUSE and BLUE GROUCH trademarks set out below and registered in association with wines and operation of a winery, amongst other related goods and services.

Registration No.	Trademark
TMA958,571	BLUE GROUSE ESTATE WINERY AND VINEYARD
TMA958,579	<i>Blue Grouse</i>

Registration No.	Trademark
TMA958,580	
TMA958,581	
TMA906,034	BLUE GROUCH
TMA906,035	
TMA933,937	

[10] I have exercised my discretion to check the Register and confirm that the Opponent's registrations remain extant [see *Quaker Oats Co Ltd of Canada v Menu Foods Ltd* (1986), 11 CPR (3d) 410 (TMOB)]. The Opponent has therefore met its initial evidential burden with respect to this ground of opposition.

[11] As a result, the Applicant bears the legal onus of demonstrating on a balance of probabilities that there is no reasonable likelihood of confusion between the Mark and any of the Opponent's registered trademarks. I will focus my assessment on the likelihood of confusion between the Mark and the Opponent's registered trademarks BLUE GROUSE ESTATE WINERY AND VINEYARD (TMA958,571) and BLUE GROUSE & Design (TMA958,579). The Opponent's case is strongest with respect to these trademarks. That is, if the Opponent is not successful based on these trademarks, then it will not be successful based on its other trademarks.

Test for confusion

[12] The test for 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 likely lead to the inference that the goods and services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods and services are of the same general class or appear in the same class of the Nice Classification. Therefore, section 6(2) of the Act does not deal with confusion between trademarks themselves, but with the likelihood that the goods or services from one source will be perceived as being from another source.

[13] In making such an assessment, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5) of the Act: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time the trademarks have been in use; (c) the nature of the goods and 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 [see *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23; *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 54].

[14] The test for confusion is assessed as a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees an applicant's mark, at a time when they have no more than an imperfect recollection of an opponent's trademark, and do not pause to give the matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks [*Veuve Clicquot, supra*, at para 20].

Inherent distinctiveness of the trademarks and the extent to which they have become known

[15] The overall consideration of this factor involves a combination of inherent and acquired distinctiveness of the trademarks.

[16] Overall, I consider both parties' marks to possess a significant degree of inherent distinctiveness as neither trademark has any relation to the parties' respective goods and services.

[17] The acquired distinctiveness of a trademark refers to the extent to which it has become known in Canada as a result of its use or promotion.

[18] Mr. Brunner's affidavit shows that the Opponent's BLUE GROUSE ESTATE WINERY AND VINEYARD and BLUE GROUSE & Design trademarks have become known to a significant extent. The vast majority of the bottles of wine marketed by the Opponent since 2012 have displayed one of these trademarks (para 24, Exhibit M). While the Opponent's sales numbers are for its trademarks collectively, given that the vast number of the Opponent's wines display these trademarks, I infer that the sales numbers showing annual sales of 23,000-55,000 bottles between 2014-2021 correlate with the reputations of these trademarks (paras 16, 24, Exhibit M). Furthermore, there is evidence that the Opponent's winery operates under the trademark BLUE GROUSE ESTATE WINERY AND VINEYARD with this trademark appearing on bags, labels, tasting cards and the like (Exhibit K). Thousands of people visit the winery for tastings every year. In 2021, for example, over 18,000 people attended (para 15).

[19] In contrast, there is no evidence that use of the Mark has commenced.

Length of time the trademarks have been in use

[20] The Opponent's BLUE GROUSE & Design and BLUE GROUSE ESTATE WINERY AND VINEYARD trademarks have been used in Canada since at least 2012 (para 16). In contrast, there is no evidence that use of the Mark has commenced.

Nature of the goods, services or business; and nature of the trade

[21] While beer and wine are different, they both fall in the alcoholic beverages industry. I adopt the following comments concerning the nature of the goods, services and trade by Board Member Herzig in *Labatt Brewing Company Limited v Cerveceria Nacional Dominicana C por A*, 2004 CanLII 72169 (TMOB):

... The applicant submits that beer is a different product from wine: see *Corby Distilleries Ltd. v. Corban Wines Ltd.* 38 C.P.R. (2d) 245 at 252-253 (TMOB), *Benedictine Distillerie de la Liqueur v. John Labatt Ltee* 28 C.P.R. (3d) 487 at 489, para. c (F.C.T.D.). The applicant further submits that beer is sold through retail beer stores while wine is sold through wine stores, but acknowledges that there would be some overlap in the channels of trade for the respective wares through liquor stores.

I agree with the applicant that beer is a different product than wine. In this regard, beer is produced from grain through a brewing process while wine is produced from grapes through a fermentation process (and liquor is, of course, produced through a distillation process). However, the wares of both parties are alcoholic beverages and are therefore the products of one industry. Further, the wares of both parties would be sold, potentially in close proximity, to the public through the same types of establishments namely liquor outlets, bars and restaurants: see Chairman Partington's decision in *Champagne Moët & Chandon v. Chatam International Inc.* 12 C.P.R. (4th) 549 at 554 - 558 (TMOB) which reviews jurisprudence confirming that different alcoholic products are part of one industry.

[22] Regarding the goods in the application other than beer, in the absence of evidence to the contrary, I assume that they are all ancillary items to the sale of beer and that there would similarly be some overlap in the channels of trade.

Degree of resemblance between the trademarks

[23] The degree of resemblance is often considered to have the greatest effect on the confusion analysis [*Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 49].

[24] When considering the degree of resemblance, 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. Further, it is preferable to start the analysis by determining whether there is an aspect of each trademark that is "particularly striking or unique" [*Masterpiece*, *supra*, at paragraph 64]. In this case, with respect to the Opponent's trademarks BLUE

GROUSE & Design and BLUE GROUSE ESTATE WINERY AND VINEYARD, I consider the BLUE GROUSE component most striking as the cursive in the design is not particularly distinctive or unique and the component ESTATE WINERY AND VINEYARD is descriptive of the associated goods and services. With respect, to the Mark, I find BLUE GOOSE to be a striking unitary phrase.

[25] There is a significant degree of resemblance in appearance and sound between the Mark and BLUE GROUSE, the most striking part of the Opponent's trademarks, owing to their identical first component BLUE and the similarities between the second component which both begin with G and end with SE. Further, there are also similarities in the ideas suggested as the parties' trademarks suggest the idea of blue water fowl. Accordingly, this factor favours the Opponent.

CONCLUSION ON LIKELIHOOD OF CONFUSION

[26] The confusion issue to be decided is whether a typical consumer with an imperfect recollection of the Opponent's trademarks, upon seeing the Mark in association with the Goods, would be likely to think that the parties' goods and services share a common source.

[27] Having considered all of the surrounding circumstances, I find that the Applicant has not satisfied its legal burden to show that there is no reasonable likelihood of confusion between the Mark and either of the Opponent's BLUE GROUSE & Design or BLUE GROUSE ESTATE WINERY AND VINEYARD trademarks. I reach this conclusion particularly in view of the degree of resemblance between the parties' marks, the acquired distinctiveness and length of time the Opponent's trademarks have been in use, the overlap or similarity in the parties' goods and the potential for overlap in the channels of trade. This is, however, a borderline case and its outcome was not assisted by the fact that the Applicant, who bears the legal onus in this proceeding, submitted no significant evidence or argument in support of the application.

Non-entitlement and non-distinctiveness grounds

[28] The Opponent's evidence described at paragraph 18 of this decision is sufficient to meet its burden of demonstrating use of its BLUE GROUSE ESTATE WINERY AND VINEYARD and BLUE GROUSE & Design trademarks prior to the filing date of the application and reputation of these trademarks as of the opposition filing date.

[29] The differences in the material dates for these grounds of opposition and the material date for the section 12(1)(d) ground do not change my prior finding that the Applicant failed to meet its legal onus of proving no reasonable likelihood of confusion. Accordingly, the section 16(1)(a) and section 2 grounds of opposition succeed. Having refused the application on three grounds, I do not find it necessary to consider the section 16(1)(c) ground of opposition which alleges confusion between the Mark and the Opponent's use of its trade names including BLUE GROUSE.

DISPOSITION

[30] In view of all of 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.

Natalie de Paulsen
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

No hearing held.

AGENTS OF RECORD

For the Opponent: PARLEE MCLAWS LLP

For the Applicant: MILTONS IP/P.I.