

Federal Court



Cour fédérale

Date: 20180131

Docket: T-1168-15

Citation: 2018 FC 108

Ottawa, Ontario, January 31, 2018

PRESENT: The Honourable Mr. Justice Pentney

BETWEEN:

ADVANCE MAGAZINE PUBLISHERS, INC.

Applicant

and

BANFF LAKE LOUISE TOURISM BUREAU

Respondent

JUDGMENT AND REASONS

I. INTRODUCTION

[1] The Banff Lake Louise Tourism Bureau (“Banff”) wanted to promote tourism during the “shoulder season”, the period after the end of the summer and before the launch of the ski season. It decided to advertise a ten-day event in November during which restaurants in the area would serve a series of special fixed-price meals, all under the name “Bon Appétit Banff”. It signed up local restaurants, set up a website, printed a number of advertisements, and required

the participating restaurants to print menus and other material under the banner “Bon Appétit Banff”. It also applied for trademark protection for this name, and that application gave rise to this proceeding.

[2] Advance Magazine Publishers, Inc. (“Advance”) opposed Banff’s application on the basis that it had already registered a number of trademarks under the name “Bon Appétit”, and allowing “Bon Appétit Banff” to be registered would likely be confusing for individuals in the marketplace. The Trademark Opposition Board (“TMOB”) granted Banff’s application, finding that the opponent had not filed evidence to support its claims, while Banff had filed evidence to demonstrate a limited use of the mark. Advance launched an appeal under section 56(1) of the *Trade-Marks Act*, RSC 1985, c T-13 [the *Act*], and filed new evidence pursuant to s. 56(5) of the *Act*. Banff was given notice of this proceeding but did not participate.

[3] The question in this appeal is whether an ordinary casual consumer, somewhat in a hurry, would look at a menu, notice or website advertising “Bon Appétit Banff” and likely be confused into thinking that the source of the services associated with the “Bon Appétit Banff” trademark was one and the same as the source of the goods or services associated with Advance’s BON APPÉTIT trademarks. If yes, Advance’s opposition to the registration of the Respondent’s trademark should be granted, and the TMOB decision should be overturned.

[4] For the reasons that follow I am granting this appeal.

II. BACKGROUND

[5] On March 16, 2011, Banff filed an application to register the mark BON APPÉTIT BANFF, based on proposed use in Canada, in association with the following services:

Promoting events to visitors through radio and television advertising and by distributing printed advertising materials and e-mail newsletters; promoting the goods and services of members, namely lodging, restaurants, shops, touristic tours and arts and sports centres through radio and television advertising and by distributing printed advertising materials and email newsletters; operation of a website promoting events and goods and services of others; providing information about events via email, by phone or in person.

[6] This application was advertised in the Trade-Marks Journal on December 7, 2011, and was opposed by Advance. Banff filed a counter statement generally denying the allegations in the statement of opposition. At the hearing before the TMOB, Advance submitted evidence regarding its registered word mark BON APPÉTIT (registration No. TMA576328, registered February 25, 2003), and its registered design mark BON APPÉTIT DESIGN (registration No. TMA221520, registered June 24, 1977):


BON APPÉTIT

[7] The goods and services covered by these registrations are:

Online magazines and publications distributed in electronic format via the internet; operating an internet website which allows consumers to subscribe to consumer magazines and allows advertisers to promote their goods and services via the internet.

[Registration No. TMA576328]

Publications, namely a magazine.

[Registration No. TMA221520]

[8] In addition, Advance referred to its applications for the trademarks BON APPÉTIT and BON APPETIT DESIGN in relation to proposed use in association with the following services and goods:

Educational services, namely conducting classes, seminars, conferences and workshops, both on-line and in person, in the field of food and beverage preparation, culinary arts and distribution of training material, namely, educational and instructional materials, namely, books, pamphlets, manuals, DVD's, videotapes, mps downloads, USB sticks, portable memory devices, digital video.

[Application No. 1521530, filed March 24, 2011]

Stationery and stationery products, namely notepaper, diaries, calendars, note cards ... envelopes, note cards and notepaper all containing custom imprints.

[Application No. 1419418, filed November 17, 2008]

[9] Various grounds of opposition were asserted, but the primary argument was that the marks being applied for were confusing with the Applicant's, contrary to ss. 12(1)(d) and 16(3)(a) and (d) of the *Act*, and that Banff could not have been satisfied that it was entitled to registration pursuant to s. 30(i) because it knew of Advance's BON APPÉTIT and BON APPETIT DESIGN marks when it filed its application.

[10] At the hearing before the TMOB, Advance filed an affidavit from a trademark searcher, which provided evidence about the particulars of the registrations and applications outlined above, as well as introducing a copy of the logo as it appeared on the Banff website:



[11] Banff filed three affidavits: two from its Director of Resort Services which describe the nature of the event that was the focal point of the registration and the activities which had been associated with it, and one from a paralegal who had conducted a computer search of the Trade-Marks database to locate active trademarks comprised of the term “bon appetit”.

[12] Following a hearing of the matter, the TMOB granted the application. It found that while the two word marks resemble each other, there was nothing particularly striking or unique in the phrase “bon appetit”. It also noted that there can be no monopoly in the idea of enjoying a meal. It is important to note here that the TMOB’s decision rests on the evidence that was presented, which demonstrated that there had been some limited use by Banff of its mark in the Banff-Lake Louise tourism area over a two-week span covering a number of years, whereas there was no evidence by Advance of the nature or quality of the goods or services delivered under its marks. Despite the similarities between the parties’ marks, on the evidence, the TMOB concluded that the registration should be allowed.

III. ISSUES

[13] This appeal raises two issues:

1. What is the scope of review, in light of the new evidence?
2. Is it likely that consumers would be confused by the registration and use of the respondent's mark, having regard to the Applicant's marks?

IV. ANALYSIS

A. *What is the scope of review, in light of the new evidence?*

[14] Advance argues that, I should conduct a *de novo* hearing of the issues because it filed new evidence on this appeal. The relevant provision is s. 56(5) of the *Act*:

Additional evidence

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

Preuve additionnelle

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

[15] The standard of review in an appeal under s. 56 depends on whether new evidence has been filed. In *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 35 [*Mattel*], the Supreme Court of Canada stated that if new evidence is admitted the review is a reconsideration of both fact and law:

...Where fresh evidence is admitted, it may, depending on its nature, put quite a different light on the record that was before the Board, and thus require the applications judge to proceed more by way of a fresh hearing on an extended record than a simple appeal.

Section 56 suggests a legislative intent that there be a full reconsideration not only of legal points but also of issues of fact and mixed fact and law, including the likelihood of confusion.

[Citations omitted.]

[16] If the Court determines that the additional evidence would have materially affected the TMOB's findings of fact or exercise of discretion, the Court must consider *de novo* the issue to which that additional evidence relates: *Molson Breweries v John Labatt Ltd.*, [2000] 3 FC 145 at para 51 (FCA) [*Molson Breweries*]; *Spirits International BV v BCF SENCRL*, 2012 FCA 131 at para 10 [*Spirits International*]. In order to determine whether the new evidence would have materially affected the TMOB's decision, the Court must assess the quality, not the quantity, of the evidence – considering its nature, significance, probative value, and reliability – to determine whether the evidence adds something of significance. (*Illico Communication Inc v Norton Rose SENCRL*, 2015 FC 165 at para 26 [*Illico Communications*]; *Mcdowell v The Body Shop International PLC*, 2017 FC 581 at para 11.

[17] While such new evidence can “undermine the factual substratum of the Board's decision and thus rob the decision of the value of the Board's expertise”, this does not “eliminate the Board's expertise as a relevant consideration”: *Mattel* at para 37; see also *Molson Breweries* at paras 46-51.

[18] This requires an assessment of whether the evidence which is filed on the appeal is:

- (i) new, in that it adds relevant additional information beyond that which was before the TMOB;
- (ii) probative and reliable, in that it addresses an issue relevant to the legal issues in dispute and is otherwise reliable given the usual legal tests; and
- (iii) whether it would have materially

affected the TMOB's findings of fact or exercise of discretion (*Spirits International; Gemological Institute of America v Gemology Headquarters International*, 2014 FC 1153 at para 25; *Illico Communication* at para 24).

[19] My task on the final part of this analysis, whether the new evidence would have materially affected the findings of fact or exercise of discretion by the TMOB, is made easier by the final paragraph of its decision:

I would add that had the opponent provided evidence to support the pleadings in the statement of opposition..., that is, evidence establishing that its magazine had acquired a substantial reputation (and further, that the magazine focuses on food and dining), then the outcome of this proceeding would likely have favoured the opponent.

[20] As I have observed above, the decision under appeal rested largely on the evidence filed by Banff, in contrast to the absence of evidence about use of the marks by Advance. In connection with this appeal, Advance has filed substantial new evidence in an affidavit from Betty Wong Ortiz, the Director of Strategy and Operations of its Bon Appétit division. The substance of this evidence will be dealt with in the next part of my decision, but, in summary, it establishes that the Bon Appétit division of Advance has undertaken the following activities for at least the past ten years:

- Published and sold a magazine under the banner Bon Appétit, of which millions have been sold in Canada;
- Operated a website with an extensive Canadian reach, as demonstrated by over 60 million visits by unique Canadian visitors over the period;

- Established an extensive presence on social media, with a significant number of Canadian followers, as well as a substantial number of “views” of its YouTube videos by Canadians;
- Licenced the use of its mark by the Home Shopping Network, and a number of well-known retailers as well as a home appliance manufacturer.

[21] As will be detailed below, the affidavit also includes examples of articles concerning tourist attractions in various Canadian cities, food festivals and events, as well as advertisements placed by several Canadian tourism authorities.

[22] This evidence is obviously both new, in the sense that it was not presented before the TMOB, and relevant, in the sense that it provides a factual basis for Advance’s arguments relating to the test for confusion under the *Act*. It also bears the hallmarks of reliability, in that it is provided by a senior official who has access to the relevant information and it includes copies of the magazine, excerpts of various published articles, and screen shots from the website, as well as data about Canadians’ use of the website and social media platforms. The concluding paragraph of the decision, quoted above, makes it evident that this type of evidence would have affected the TMOB’s findings of fact and exercise of discretion. In light of my conclusions on this point, I must conduct a *de novo* review, relying on the evidence old and new, in relation to the issue of whether the application for registration should be granted.

B. *Is it likely that consumers will be confused by the respondent's mark?*

[23] In accordance with s. 6(2) of the *Act*, the use of one trademark causes confusion with another if the use of both trademarks in the same area would be likely to lead to the inference that the goods have the same source:

[When mark or name confusing]

(2) The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.

[Quand une marque ou un nom crée de la confusion]

(2) L'emploi d'une marque de commerce crée de la confusion avec une autre marque de commerce lorsque l'emploi des deux marques de commerce dans la même région serait susceptible de faire conclure que les produits liés à ces marques de commerce sont fabriqués, vendus, donnés à bail ou loués, ou que les services liés à ces marques sont loués ou exécutés, par la même personne, que ces produits ou ces services soient ou non de la même catégorie générale.

[24] The legal test is well known, as set out by the Supreme Court of Canada in *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 40 [*Masterpiece*]:

At the outset of this confusion analysis, it is useful to bear in mind the test for confusion under the Trade-Marks Act. In *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée*, 2006 SCC 23, [2006] 1 S.C.R. 824, Binnie J. restated the traditional approach, at para. 20, in the following words:

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], at a time when he or she has no more than an imperfect recollection of the [prior] trade-marks, and does not pause to give the

matter any detailed consideration or scrutiny, nor to examine closely the similarities and differences between the marks.

[25] Subsection 6(5) of the *Act* states:

What to be considered

(5) In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including

(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;

(b) the length of time the trade-marks or trade-names 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 trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

Éléments d'appréciation

(5) En décidant si des marques de commerce ou des noms commerciaux créent de la confusion, le tribunal ou le registraire, selon le cas, tient compte de toutes les circonstances de l'espèce, y compris :

a) le caractère distinctif inhérent des marques de commerce ou noms commerciaux, et la mesure dans laquelle ils sont devenus connus;

b) la période pendant laquelle les marques de commerce ou noms commerciaux ont été en usage;

c) le genre de produits, services ou entreprises;

d) la nature du commerce;

e) le degré de ressemblance entre les marques de commerce ou les noms commerciaux dans la présentation ou le son, ou dans les idées qu'ils suggèrent.

[26] The confusion analysis is to be done on the basis of the rights obtained by registration, not on the particular form of use of the mark in the market at one particular point in time (*Masterpiece* at paras 42-59). While all of the surrounding circumstances must be considered, as a practical matter, the degree of resemblance between the marks can be determinative: “the

degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis” (*Masterpiece* at para 49).

[27] By way of introduction to my analysis under s. 6(5), I would observe that Banff has adopted the entirety of Advance’s registered word mark, and has simply added “Banff” at the end. It is clear that the first part of a word mark is often the most important aspect for comparison, in particular if it is what is most distinctive about the mark (*Masterpiece* at paras 63-64; *Conde Nast Publications Inc v Union des éditions modernes* (1979), 46 CPR (2d) 183 (FCTD) at p 188).

[28] I find that the resemblance is striking between the two versions of “bon appétit”, and while I am not to focus solely on the current usage, neither is it to be ignored. As the Supreme Court stated in *Masterpiece* at para 59:

[a]ctual use is not irrelevant, but it should not be considered to the exclusion of potential uses within the registration. For example, a subsequent use that is within the scope of a registration, and is the same or very similar to an existing mark will show how that registered mark may be used in a way that is confusing with an existing mark.

See also *Absolute Software Corp v Valt X Technologies Inc*, 2015 FC 1203 at para 37.

[29] With that introduction, I will turn to the factors enumerated in s. 6(5).

(1) Inherent and acquired distinctiveness

[30] This factor requires consideration of both the inherent distinctiveness of the mark and the extent to which the mark has acquired distinctiveness through use in the marketplace. The general approach was described in *Mattel* at para 75:

“Distinctiveness is of the very essence and is the cardinal requirement of a trade-mark.”: *Western Clock Co. v. Oris Watch Co.*, [1931] Ex. C.R. 64, *per* Audette J., at p. 67. The word “Barbie” is an everyday expression not originated by the appellant, and on that account would normally receive less protection “than in the case of an invented or unique or non-descriptive word” (like *Kleenex*), *per* Rand J. in *General Motors*, at p. 691, to which one might add: “No person is entitled to fence in the common of the English or French languages and words of a general nature cannot be appropriated over a wide area”: K. Gill and R.S. Joliffe, *Fox on Canadian Law of Trade-Marks and Unfair Competition* (4th ed. (loose-leaf)), at p. 8-56. I accept, as discussed earlier, that BARBIE has now acquired a strong secondary meaning associated with the appellant’s doll products, and on that account has achieved considerable distinctiveness. While the mark as registered is just the plain word BARBIE, its use in advertising and packaging is accompanied with distinctive designs and graphics.

[31] Inherent distinctiveness depends on the extent to which a trademark is an everyday word or a non-descriptive, distinctive word (*Mattel* at para 75; *TLG Canada Corp v Product Source International LLC*, 2014 FC 924 at para 59 [*TLG Canada*]). Where a trademark is a unique or created name, such that it refers to only one thing, it will be inherently distinctive and given a wide scope of protection (*Tommy Hilfiger Licensing Inc v Produits de Qualité IMD Inc*, 2005 FC 10 at para 53; *Distribution Prosol PS Ltd v Custom Building Products Ltd*, 2015 FC 1170 at para 36 [*Prosol*]).

[32] In contrast, a descriptive or suggestive word or phrase will be viewed as a weak mark and given relatively less protection; thus where a mark refers to many things or is a common reference in the market, or is merely descriptive of the goods or services, it will be given less protection (*TLG Canada* at para 59; *EAB Tool Company Inc v Norske Tools Ltd*, 2017 FC 898 at para 30).

[33] The TMOB decision refers to the affidavit filed by Advance, which presented “dictionary definitions for the term ‘bon appétit.’ The literal meaning is ‘good appetite,’ however, the connotation is ‘enjoy your meal.’” On the basis of this, the TMOB found that the mark possesses “a fairly low degree of inherent distinctiveness as it is a common phrase comprised of two French words.” No other evidence on this point has been introduced, and I agree with the TMOB that the terms are not particularly unique. Indeed, they are often used at the opening of a meal.

[34] Advance argues that the consideration of inherent distinctiveness must be made in the context of the particular goods or services, and points to the decision in *Masterpiece* at para 108, where the term “masterpiece” was found to be a common general word, but somewhat distinctive in its use in the retirement residence industry. Advance contends that the term “bon appétit” is not inherently descriptive of the character or quality of the goods or services associated with its registrations and applications, namely on-line and print publications, operation of a website and social media activity, educational and training materials, etc.

[35] I find that the terms are suggestive, but not particularly unique. They are two ordinary words, commonly associated with food or dining, but not unique or invented. However, there is

no evidence that the term is commonly used in the market. I agree with the TMOB that the affidavit filed on this point did not establish that the term had become commonplace in the Canadian market. This does not end the analysis, however; I must consider the second aspect of this factor: whether the term has acquired distinctiveness.

[36] On the evidence before me, Advance has established a strong presence in the Canadian market, both through long-standing distribution and sales of its print publication and through significant on-line and social media presence and activity. The affidavit of Ms. Wong Ortiz, on which there was no cross-examination, provides the factual foundation on this point which was missing before the TMOB.

[37] The evidence on the reach into the Canadian market of the various components of Advance's goods and services reflects wider trends over the past decade. While its print publication had ten-year total Canadian sales of 4.1 million copies to retailers and 1.36 million to customers, the annual figures show a decline in print sales over that period. The highest monthly totals in evidence are from 2006, when over 46,000 magazines were sold to retailers, of which over 22,000 were sold to customers. By 2015 this had declined to sales of over 22,000 magazines to retailers, of which 2,900 were sold to customers. In contrast, Advance's on-line reach through its "Bon Appétit" website and social media presence has shown a steady and continuous growth in Canada during the same period. There are various ways of measuring this, but a few examples will make the point. Since 1997, there have been over 60 million "unique visits" to the website from Canada. As Ms. Wong Ortiz explains, "unique visitors" refers to different individuals annually and does not track repeat visits in any given year by the same unique visitor. Another

approach simply measures the number of visitors per month from Canada, and this shows over two million unique visits per month from Canada.

[38] In regard to social media, again there are a number of different ways of measuring the reach into the Canadian market through activity on social media. There are tens of thousands of Canadian “followers” of the Facebook and Twitter accounts held by Bon Appétit, and well over one million “likes” from Canadians for various articles and stories. Other channels measure the number of subscribers from Canada, and these show over ten thousand Canadian users, particularly focused on food, recipes, cooking, and restaurant recommendation features. It is estimated that 200,000 Canadians annually viewed videos presented by Bon Appétit on YouTube over the past decade.

[39] In addition, Bon Appétit has licensed its trademark and logo in Canada to outlets such as the Home Shopping Network, Electrolux Major Appliances, and another (un-named) company that creates on-line travel packages. The trademark was also licenced to Terlato Wines International, a company that distributes wine through an on-line wine shop. In addition to wine sales, this company created promotional events, featuring gourmet meals and wines selected by renowned chefs.

[40] In regard to the magazine and website, Ms. Wong Ortiz’ affidavit shows a number of feature articles on Canadian cities, with a particular focus on dining and other tourist attractions. This includes travel and restaurant guides for Montréal, Toronto, Québec City, Vancouver, and Niagara-on-the-Lake. Advertisements were placed in the magazine by several Canadian tourism

bureaus, including Nova Scotia, Ontario, Québec, Tourism Canada, as well as tourism organizations from Toronto and Montreal. In addition, the magazine carried feature stories on particular culinary events held in various cities in North America. Overall, Bon Appétit's main focus is on tourism, dining, specialty food and drink, food preparation, along with other tourist activities.

[41] While there is no evidence of actual recognition in the marketplace by consumers, I find that it is reasonable to infer from the evidence referred to above that the Applicant's use of "bon appétit" for its goods and services has acquired distinctiveness through its various activities in print and on-line, particularly given the evidence of sales and reach into the Canadian market. As Justice Rothstein notes in *Masterpiece* at para 92:

In cases of wares or services being marketed to the general public, such as retirement residences, judges should consider the marks at issue, each as a whole, but having regard to the dominant or most striking feature of the trade-mark. They should use their own common sense, excluding influences of their "own idiosyncratic knowledge or temperament" to determine whether the casual consumer would be likely to be confused.

[42] In many cases the acquired distinctiveness of a trademark is demonstrated by the reach of its presence in the market through both storefront presence and advertising. Consumer awareness can be demonstrated through surveys, or simply inferred from widespread advertising and the number of stores displaying the banner. Here, Advance sought to demonstrate its presence in the market through evidence of the sales of the magazine and the on-line presence through a website and social media vehicles. I find that the evidence of on-line and social media presence and activity is as useful and compelling as evidence of storefront presence and more traditional forms of advertising in print, radio or television.

[43] In assessing customer awareness or reach into the marketplace through a website or social media presence, merely posting a website or putting content into a social media platform may not be indicative of any particular reach into the market which would support an argument of acquired distinctiveness through use in Canada: see *UNICAST SA v South Asian Broadcasting Corporation Inc*, 2014 FC 295 at paras 27-31; *Cathay Pacific Airways Limited v Air Miles International Trading BV*, 2016 FC 1125 at para 56. In this case, the more telling evidence relates to the number of visits or activity on the website or social media platforms: see *TSA Stores, Inc v Registrar of Trade-Marks*, 2011 FC 273 [*TSA Stores*]. This is valuable because it demonstrates both Canadians' awareness of the material and their desire to take some steps to seek it out, which itself reflects a certain recollection or awareness. The on-line impact of the brand is evident because it requires Canadians to take steps to engage, either through visiting the website or taking steps to "follow" it or to "like" a feature article or photograph on one or more social media platforms. This can be equally valuable in supporting an analysis of acquired distinctiveness under the *Act*: see *TSA Stores; Teaja Holdings Ltd v Jana Beverages Ltd*, 2017 TMOB 64 at para 21.

[44] On the basis of all of the evidence presented, I find that Advance has established that its BON APPÉTIT registered and applied-for marks have acquired a degree of distinctiveness in the Canadian market.

(2) Length of time in use

[45] As indicated above, the evidence shows a considerable reach into Canada which has evolved in concert with the rest of the consumer marketplace from print to on-line, but has been

relatively continuous over the past several decades. There is evidence of sales of the magazine dating back to February 1970, as well as to an on-line presence and activity by Canadians since 1997. Banff's evidence is that the Bon Appétit Banff event began in 2011 and has continued since that time. As the evidence clearly demonstrates that Advance's use of its mark long pre-dates the use by Banff of the mark it applied to register, this factor favours Advance.

(3) The nature of the goods, services or business

[46] A comparison of the Applicant's registrations with the Respondent's registrations and the goods and services covered by its applications shows several areas of overlap: both refer to printed material and on-line materials; both refer to promoting goods and services; both refer to food and beverages. The new evidence before me confirms that Advance provides information to consumers on a variety of topics relating to tourism, dining, drinking, and food preparation, and that this has regularly featured information pertaining to Canada. Some of this information relates to particular Canadian cities, and some of it relates to particular culinary events.

[47] I accept Advance's argument that there is nothing in Banff's application that is not already done under their registrations and applications. The overlap is obvious, and this factor also favours Advance.

(4) The nature of the trade

[48] This factor is described in various ways, but it refers to the nature of the business as it is normally conducted: what type of store or marketing channel is used to target what type of

consumer? In *Mattel* (at para 86) Justice Binnie notes that “[t]he nature and kind of customer who would be likely to buy the respective wares and services has long been considered a relevant circumstance [citations omitted].” The greater the similarity between the nature of the parties’ trades, the higher the risk of confusion.

[49] Here, both parties are in the same general line of business, which can be described generically as promoting food, dining, and tourism in the Canadian and international markets. The fact that “Bon Appétit Banff” is currently focused on a particular geographic location is not the governing consideration, because Banff did not choose to apply for a registration which was restricted to the Banff – Lake Louise tourism region. As a matter of law, Advance is entitled to protection for the benefits of its registrations throughout Canada, as confirmed in *Masterpiece*:

[27] While it is not entirely clear that the Federal Court of Appeal’s reasons should be read as suggesting that geography is relevant, I would take this opportunity to dispel any doubt on this point.

[28] The Canadian trade-marks regime is national in scope. The owner of a registered trade-mark, subject to a finding of invalidity, is entitled to the exclusive use of that mark in association with the wares or services to which it is connected throughout Canada.

...

[31] In order for the owner of a registered trade-mark to have exclusive use of the trade-mark throughout Canada, there cannot be a likelihood of confusion with another trade-mark anywhere in the country.

[50] I find that this factor favours Advance.

- (5) The degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them

[51] Case law has established that the degree of resemblance is often the most important circumstance in the confusion analysis. The other factors become more significant once the trademarks are found to be identical or very similar (*Masterpiece* at para 62; *Prosol* at para 77). Resemblance is the quality of being either like or similar (*Masterpiece* at para 62) and this requires a comparison of the trademarks in their totality, rather than dissecting them into their constituent elements or laying them side-by-side to compare and observe differences or similarities. The easiest way to approach this is to identify the dominant or striking feature of the marks; this will often be the first part of a word mark (*Masterpiece* paras 63-64).

[52] In this case, Banff has adopted the entirety of Advance's registered word mark, and added "Banff". While it may be true that to many Canadians the word "Banff" conjures up ideas of mountains, skiing, and holiday adventures, it is primarily simply a geographic location. It is accepted that geographic locations are generally weak marks (see *London Drugs Ltd v International Clothiers Inc*, 2014 FC 223 at paras 49-50). I find that Banff is simply a geographic location that, as a modifier of bon appétit, does little to distinguish the mark as a whole from the Applicant's registered trademarks.

[53] This part of the analysis should not focus entirely on the current display of the mark, since what is granted by registration of a word mark is the right to display it using any font, design or feature that the owner chooses (*Masterpiece* at para 55; *Pizzaiolo Restaurants Inc v Les Restaurants La Pizzaiolle Inc*, 2016 FCA 265 at paras 26-33). In this case, I find that the way

that Banff has displayed its mark gives great prominence to the words “bon appétit”, and it displays them in a manner very similar to the way that Advance has used them in both its print and on-line materials. Both parties use somewhat stylized fonts, both use lower case first letters for each word, and both use the accented “e” in “appétit”. The addition of the word “Banff” is not prominent and does not significantly alter the sound or the idea conveyed by the mark.

[54] I find that that there is a striking similarity between the two marks in appearance, sound and in the idea suggested by them. This factor also favours Advance.

(6) Surrounding Circumstances

[55] This leaves for consideration whether there are any other relevant surrounding circumstances or considerations which would tip the balance in favour of Banff. I can find none on the evidence before me, considering both the evidence that was placed before the TMOB and the new evidence filed on this appeal.

(7) Conclusion on Confusion

[56] I find that the term “bon appétit” has acquired distinctiveness through widespread activity in the market and that there is strong resemblance between Advance’s registered trademarks as well as their applications, and that applied for by Banff. Considering all of the evidence and the factors enumerated in the *Act*, I find that an ordinary casual consumer, somewhat in a hurry, would look at a notice or website advertising “Bon Appétit Banff” and likely conclude that it was linked to, or authorized by, the Applicant and its “Bon Appétit” magazine or website.

[57] Therefore, I find that Advance's objections under ss. 12(1)(d), 16(3)(a) and (b) of the *Act* are well-founded in light of the evidence and considering the various relevant dates for these provisions (see *American Retired Persons v Canadian Retired Persons* (1998), 84 CPR (3d) 198 at pp 206-09 (FCTD) for a discussion of the material dates in opposition proceedings).

[58] In view of my findings on the confusion issue, it is not necessary to address Advance's argument relating to s. 30(i) of the *Act* and whether it is appropriate to draw adverse inferences from objections to answering questions in cross-examination on an affidavit. The TMOB discussed this point in the decision under appeal and cast some doubt on whether such an inference could be sufficient to meet the test set out in s. 30(i) as it has been interpreted by decisions of this Court, but I make no comment on this point.

[59] Given my conclusion on the confusion issue, it is also not necessary to address the other grounds of objection advanced under ss. 2, 22, and 50 of the *Act*.

C. *Costs*

[60] Advance has been successful in this appeal and in the normal course costs would follow. In exercise of my discretion in relation to costs under Rule 400 of the *Federal Court Rules*, SOR/98-106, there are several considerations here. First, this appeal succeeded largely because of the new evidence that was filed by Advance, but there is no explanation for why this evidence was not put before the TMOB. This proceeding could easily have been avoided had the evidence, which was readily available and, though somewhat voluminous, not obviously burdensome to prepare, been put before the TMOB. Against this, however, is the fact that Banff did not

discontinue their application for registration even after receiving this new evidence from Advance, nor did it appear before me to present any arguments. Advance submits that it incurred extra costs since it was forced to continue with its appeal in order to vindicate the rights which its registration provides to it under the *Act*.

[61] Having considered the submissions of counsel for Advance and the factors noted above, I hereby award costs to Advance, payable by Banff. If the parties are unable to agree on the amount, they may make submissions to me within ten days.

V. CONCLUSION

[62] I find that Advance has established a likelihood of confusion between its registered and applied for trademarks, and the mark applied for by Banff, having regard to the evidence that was filed before the TMOB and the new evidence filed on this appeal. Advance's objections based on ss. 12(1)(d), 16(3)(a) and (b) of the *Act* are well-founded.

[63] The appeal is allowed and the TMOB's decision is set aside. The Registrar of Trademarks is directed to refuse the registration of the application by Banff.

[64] Costs are awarded to Advance, payable by Banff. If the parties are unable to agree on the amount, they may make submissions to me within ten days.

JUDGMENT in T-1168-15

THIS COURT'S JUDGMENT is that:

1. The appeal is allowed.
2. The Registrar of Trade-marks is directed to refuse the registration of the application by Banff Lake Louise Tourism Bureau.
3. The Respondent shall pay costs to the Applicant. If the parties are unable to agree on the amount, they may make submissions to me within ten days.

“William F. Pentney”

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1168-15

STYLE OF CAUSE: ADVANCE MAGAZINE PUBLISHERS, INC. v BANFF
LAKE LOUISE TOURISM BUREAU

PLACE OF HEARING: TORONTO, ONTARIO

DATE OF HEARING: DECEMBER 11, 2017

JUDGMENT AND REASONS: PENTNEY J.

DATED: JANUARY 31, 2018

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