

Federal Court



Cour fédérale

Date: 20230328

Docket: T-1844-22

Citation: 2023 FC 427

Ottawa, Ontario, March 28, 2023

PRESENT: The Honourable Mr. Justice Manson

BETWEEN:

TWEAK-D INC.

Applicant

and

ATTORNEY GENERAL OF CANADA

Respondent

JUDGMENT AND REASONS

I. Introduction

[1] This is an appeal under section 56 of the Trademarks Act, RSC1985, c T-13, from a decision of the Registrar of Trademarks [the “Registrar”] dated July 13, 2022, refusing trademark application no. 1,817,001 to register the word mark TRIBAL CHOCOLATE in connection with hair care products. The Registrar refused the application because the TRIBAL

CHOCOLATE mark was found to be confusing with the registered word mark TRIBAL, registered under registration number TMA826279.

II. Background

[2] On January 6, 2017, the Applicant, Tweak-D Inc., filed trademark Application No. 1,817,001 to register the mark TRIBAL CHCOLATE, based on use since August 31, 2016. The Applicant seeks to register the Mark in connection with the following goods:

Hair care preparations, namely shampoo, hair conditioner, hair gel, hair dyes, hair mousse, hair pomade, hair rinses, hair spray, leave-in hair treatments, namely, leave-in hair conditioners and leave-in hair emollients, all intended for distribution to mass market retailers, drugstores, home shopping channels or internet retailers, but specifically excluding beauty salons and spas

[3] Over the course of the registration proceedings, the Registrar sent the Applicant three (3) examiner's reports, dated October 20, 2017, March 3, 2020 and September 3, 2020. The Registrar objected to the registration of TRIBAL CHOCOLATE on the ground that it was confusing with the registered trademark TRIBAL, registered on June 13, 2012 and based on use since 2008, pursuant to paragraph 12(1)(d) of the *Trademarks Act*.

[4] The TRIBAL trademark is registered for use in association with, among other goods, the following relevant goods:

... colorants pour cheveux, teintures pour cheveux.

[Hair colourants and hair dyes]

[5] In response to the Registrar's objections, the Applicant made the following arguments:

1. The TRIBAL CHOCOLATE application is registrable based on the state of the register and other third party marks making use of TRIBE or TRIBAL for similar goods;
2. The coexistence agreement between the Applicant and the registered owner of the TRIBAL mark ought to be considered as a factor against confusion; and
3. The Registrar may not refuse an application based on a mere possibility of confusion.

A. *State of the Register*

[6] As stated above, the TRIBAL mark was registered on June 13, 2012. At that time, there were two other registered trademarks for personal care products that included the word TRIBE or TRIBAL:

Trademark	Associated Goods
TRIBAL INDULGENCES (Registered October 23, 2009; Registration No. TMA751001)	(1) Skin cleansers, bath and shower skin care preparations, shower gel; skin care preparations, non-medicated skin care treatment preparations, skin moisturizing creams; body cream, body cleansers, body washes.
URBAN: TRIBE (Registered August 14, 2006; Registration No. TMA669838) (excerpt)	(1) Cosmetics, namely, deodorants for personal use, creams, lotions and oils for the face and the body, cleansing milks, creams and oils, beauty masks, oils and lotions for sun tanning and after sun exposure, pre and after shave creams and lotions, hair shampoos, hair lotions, hair conditioners, hair sprays, hair gels, hair colouring creams, hair care products, namely, hair balsam, hair bleach, hair care creams, hair care lotions, hair care preparations, hair cleaning preparations, hair color, hair color removers, hair conditioners, hair creams, hair de-

	colorants, hair dressings for men, hair dyes, hair emollients, hair fixers, hair frosts, hair gels, hair lacquers, hair lighteners, hair mascara, hair mousses, hair nourishes, hair oils, hair pomades, hair relaxers, hair removing cream, hair rinses, hair shampoos, hair spray, hair straightening preparations, hair styling gel, hair styling sprays, hair tonics, hair waving lotions, hair washing powders, all of the aforesaid products exclusively sold in beauty salons and hairdressers; dentifrices . . .
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[7] After the TRIBAL mark was registered, there was an application to register the mark TRIBE for personal care products. The registered owner of the TRIBAL mark initially opposed the registration for TRIBE. However, this opposition was withdrawn after the application for TRIBE was amended to restrict the channels of trade for its goods. The registration was amended to restrict trade in beauty salons and spas:

(1) Shampoo, body wash, liquid hand soap, hand sanitizer, all intended for distribution to mass market retailers, drugstores or internet retailers, but specifically excluding beauty salons and spas.

[8] TRIBE was registered on January 20, 2016 under registration number TMA926535.

B. *The Co-Existence Agreement*

[9] In response to the initial examiner's report that raised concerns that the TRIBAL CHOCOLATE mark was confusing with the TRIBAL mark, the Applicant commenced a proceeding under section 45 of the Trademarks Act, seeking expungement of the TRIBAL mark.

[10] The Applicant discontinued that proceeding on January 22, 2020 upon reaching a co-existence agreement with the registered owner of the TRIBAL mark. Under the co-existence agreement, the parties agreed to the following:

1. The Applicant will sell its goods to mass-market retailers, drugstores, home shopping channels or internet retailers, but excluding beauty salons and spas.
2. Neither party is to change the depiction of their respective trademarks to increase their similarity with the branding or form previously adopted by the other party.
3. Neither party is to promote its goods in a manner, which could cause confusion or indicate that there may be an association with the other party.

[11] The Applicant also agreed to amend the statement of goods in its trademark application to restrict the channels of trade for its goods:

hair care preparations, namely shampoo, hair conditioner, hair gel, hair dyes, hair mousse, hair pomade, hair rinses, hair spray, leave-in hair treatments, namely, leave-in hair conditioners and leave-in hair emollients, all intended for distribution to mass market retailers, drugstores, home shopping channels or internet retailers, but specifically excluding beauty salons and spas ~~skin-care preparations, namely skin care creams, skin lotions, skin moisturizing creams and gels, skin toners and skin abrasives;~~ cosmetics;

C. *The TRIBAL CHOCOLATE application*

[12] On January 17, 2020, the Applicant filed a revised application along with written submissions to the Registrar, including a copy of the co-existence agreement as part of these submissions.

[13] The Registrar maintained its concerns that the TRIBAL CHOCOLATE mark was confusing with the TRIBAL mark and refused the application on July 13, 2022. The Applicant appealed the refusal to this Court on September 9, 2022.

III. The Registrar's Decision

[14] Ultimately, the Registrar refused the TRIBAL CHOCOLATE application because it remained convinced that the TRIBAL CHOCOLATE mark was confusing with the TRIBAL mark.

[15] The Registrar made the following relevant observations and findings as part of its confusion analysis:

1. The test for confusion is one of first impression and the vague or imperfect recollection of the ordinary consumer or purchaser of goods, while the subsection 6(5) factors are non-exhaustive and the relevance of each factor may vary depending on the case, the degree of resemblance is the factor that is likely to have the greatest effect on the analysis.
2. There is a strong degree of resemblance between the TRIBAL and TRIBAL CHOCOLATE marks. Trademarks incorporating the whole of another mark are often found to be confusing notwithstanding the inclusion of additional words or design features. The first word of a trademark is the most important for the confusion analysis.

3. The channels of trade and nature of goods overlap. While the Applicant had amended its registration to restrict trade in beauty salons and spas, the registered owner of the TRIBAL mark had not amended its registration to confine trade exclusively to beauty salons and spas.
4. Each application must be assessed on its own merit and the state of the register evidence did not reveal a “clear pattern of registrability” of marks similar to TRIBAL CHOCOLATE or TRIBAL. The fact that the TRIBAL mark was registered despite the registration of the TRIBAL INDULGENCES mark did not establish a “clear pattern of registrability”. An average Canadian consumer would be confused between the two trademarks.
5. The fact that there had been no actual confusion despite concurrent use of the TRIBAL and TRIBAL CHOCOLATE marks since 2016 was not determinative when assessing likelihood of confusion.
6. The co-existence agreement was a factor to be considered and while it favoured the Applicant, it did not waive the criteria under section 6 of the *Trademarks Act*. The co-existence agreement is a contract between the parties; however, the *Trademarks Act* is aimed at protecting consumers.

[16] The Registrar concluded that the TRIBAL CHOCOLATE mark was similar to the TRIBAL mark in appearance, nature of associated goods and channels of trade of associated goods, such that it would lead the average consumer as a matter of first impression to infer that goods associated with the marks came from the same source.

[17] Having considered all the subsection 6(5) factors and surrounding circumstances, the Registrar refused the TRIBAL CHOCOLATE application pursuant to paragraph 37(1)(b) of the Trademarks Act.

IV. Issues

- A. *What is the applicable standard of review?*
- B. *Is the Applicant's TRIBAL CHOCOLATE mark likely to be confusing with the TRIBAL mark and therefore unregistrable?*

V. Analysis

- A. *What is the applicable standard of review?*

[18] Generally, on appeal under section 56 of the *Trademarks Act* the applicable standards of review are the appellate standards (outlined in *Housen v Nikolaisen*, 2002 SCC 33 [*Housen*] as stated in *Canada (Citizenship and Immigration) v Vavilov*, 2019 SCC 65 at para 37). For questions of law and mixed fact and law where a legal question is extricable, the standard is correctness (*Housen* at paras 8, 27). For questions of fact and question of mixed fact and law without an extricable legal question, the standard is whether the decision maker made an overriding and palpable error (*Housen* at paras 10, 28).

[19] However, under subsection 56(5) of the *Trademarks Act* when additional evidence is adduced on appeal that would have a material impact on the Registrar's decision, the Court may step into the shoes of the Registrar, reassess the evidence, and answer questions of fact on a

standard of correctness (*Clorox Company of Canada, Ltd v Chloretec SEC*, 2020 FCA 76 at paras 21-23).

[20] Here, the Applicant's new evidence consists of the file histories for the registered trademarks TRIBAL, TRIBE, TRIBAL INDULGENCES and URBAN:TRIBE. The Registrar was aware of these trademarks and considered these registrations during the examination process of the TRIBAL CHOCOLATE application. This evidence is immaterial and does not alter the standard of review.

[21] The Applicant further argues that the standard of review is correctness as this is a case where the Court and the Registrar have concurrent jurisdiction (see *Society of Composers, Authors and Music Publishers of Canada v Entertainment Software Association*, 2022 SCC 30 at paras 27-28 [*SOCAN*]).

[22] The Applicant is incorrect; this is not a case where the Court and Registrar share concurrent jurisdiction in the first instance. The Court does not review trademarks applications for registration. This case comes to the Court through appeal pursuant to section 56 of the *Trademarks Act*, not a first-instance application to register a trademark. The Supreme Court's comments in *SOCAN* are inapplicable.

[23] The standards of review remains the default appellate standards. Given the Applicant is challenging the factual findings of the Registrar with respect to whether TRIBAL CHOCOLATE is likely confusing with TRIBAL, the applicable standard is overriding and palpable error.

B. *Is the Applicant's TRIBAL CHOCOLATE mark likely to be confusing with the TRIBAL mark and therefore unregistrable?*

[24] The Applicant takes issue with the Registrar's consideration of three factors:

1. The state of the register;
2. The coexistence agreement; and
3. Concurrent use of the TRIBAL CHOCOLATE mark and the TRIBAL mark without any evidence of actual confusion since 2016.

[25] The Applicant argues that the TRIBAL mark was registered despite the existence of the marks TRIBAL INDULGENCES and URBAN:TRIBE registered for similar goods. Further, registration of the TRIBE mark was permitted, notwithstanding the previously registered TRIBAL mark, after the owner restricted the channels of trade in the registration.

[26] The Applicant contends the Registrar's position with respect to its TRIBAL CHOCOLATE application is inconsistent with the Registrar's previous positions with respect to these registrations. TRIBAL CHOCOLATE is no more confusing with TRIBAL than TRIBAL INDULGENCES and, similar to the TRIBE mark, its registration has restricted the channels of trade to exclude sale in beauty salons and spas. Further, there has been no evidence of actual consumer confusion between TRIBAL CHOCOLATE and TRIBAL in the marketplace since 2016.

[27] Moreover, the Applicant argues that there is an apparent inconsistency in allowing the registration of the TRIBAL given the previous registration of TRIBAL INDULGENCES and, on

the other hand, refusing the Applicant's TRIBAL CHOCOLATE application in light of the TRIBAL registration. However, if the Registrar has erred in the past, it is not obligated to perpetuate that error (*Cliche v Canada (Attorney General)*, 2012 FC 564 at para 27).

[28] The Registrar refers to the absence of a "clear pattern of registrability" for marks that include the word TRIBAL. While this is not a legal standard articulated by this Court or any other, the palpable and overriding error standard is a highly deferential one. It can be inferred that the Registrar is referring to the fact that cases which have found state of the register evidence particularly compelling have generally involved far more than three relevant registrations as evidence supporting the argument that the trademark being applied for should be registrable (i.e. the Registrar was not satisfied that was not registrable; see *Tokai of Canada Ltd v Kingsford Products Company, LLC*, 2021 FC 782 at paras 57-58).

[29] Moreover, there is no evidence of actual use of the TRIBAL INDULGENCES, URBAN:TRIBE or TRIBE mark that may help to demonstrate an absence of a likelihood of confusion in the marketplace (*Puma SE v Caterpillar Inc*, 2023 FCA 4 at paras 48-49). The state of the register alone, evidencing these similar marks for similar goods, does not render the Registrar's decision on this issue as a palpable and overriding error. While the Court may not necessarily agree with the decision, it is not the role of the Court to consider the correctness of the Registrar's decision based on the facts here.

[30] Ultimately, it was open for the Registrar to reasonably consider the relevant evidence, including the state of the register, the co-existence agreement and no evidence of actual

confusion since 2016 and find that, having regard to the subsection 6(5) factors for likelihood of confusion and surrounding circumstances, there was a likelihood of confusion between the marks TRIBAL CHOCOLATE and TRIBAL. As a matter of first impression and recollection, the concurrent use of TRIBAL CHOCOLATE and TRIBAL for hair care products would likely lead to the inference that the haircare products associated therewith emanate from the same source. The Registrar considered the co-existence agreement as a factor in the Applicant's favour but noted its limitations in providing only contractual protection between the parties. The Registrar also considered the absence of actual confusion and correctly pointed out that the absence of actual confusion is not determinative.

[31] The Registrar made no overriding and palpable error. The facts in this case support the Court exercising its discretion not to award costs.

VI. Conclusion

[32] The appeal is dismissed.

JUDGMENT in T-1844-22

THIS COURT'S JUDGMENT is that:

1. The appeal is dismissed.
2. No costs are awarded.

"Michael D. Manson"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1844-22

STYLE OF CAUSE: TWEAK-D INC v ATTORNEY GENERAL OF CANADA

PLACE OF HEARING: HELD BY VIDEOCONFERENCE

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DATED: MARCH 28, 2023

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