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Docket: T-2012-07

Citation: 2008 FC 1082

Ottawa, Ontario, September 29, 2008

PRESENT: The Honourable Mr. Justice Lemieux

BETWEEN:

MATOL BIOTECH LABORATORIES LTD.

Applicant

and

JURAK HOLDINGS LTD.

Respondent

REASONS FOR JUDGMENT AND JUDGMENT

[1] Matol Biotech Laboratories Ltd. (Matol) attempted, by application filed with the Canadian Intellectual Property Office (CIPO) on February 5, 1999, to register KARL JURAK as a Trade-mark (the Mark) under the *Trade-marks Act* (the *Act*) in association with minerals and vitamins for therapeutic purposes (the Wares). It was successfully opposed in its endeavour by Jurak Holdings Ltd. (Holdings) principally on the grounds the Mark was not registrable under paragraph 12(1)(a) and had not become distinctive under subsection 12(2) of the *Act*. Those provisions read:

12. (1) Subject to section 13, a trade-mark is registrable if it is not

12. (1) Sous réserve de l'article 13, une marque de commerce est enregistrable sauf dans l'un ou l'autre des cas suivants :

(a) a word that is primarily merely the name or the surname of an individual who is living or has died within the preceding thirty years;

...

(2) A trade-mark that is not registrable by reason of paragraph (1)(a) or (b) is registrable if it has been so used in Canada by the applicant or his predecessor in title as to have become distinctive at the date of filing an application for its registration. [Emphasis mine.]

a) elle est constituée d'un mot n'étant principalement que le nom ou le nom de famille d'un particulier vivant ou qui est décédé dans les trente années précédentes;

...

(2) Une marque de commerce qui n'est pas enregistrable en raison de l'alinéa (1)a) ou b) peut être enregistrée si elle a été employée au Canada par le requérant ou son prédécesseur en titre de façon à être devenue distinctive à la date de la production d'une demande d'enregistrement la concernant. [Je souligne.]

[2] Matol appeals, pursuant to section 56 of the *Act*, the September 14, 2007 decision of Jean Carrière, member of the Trade-marks Opposition Board (the tribunal). Matol took advantage of subsection 56(5) of the *Act* by filing three pieces of evidence which were not before the tribunal. Holdings did not file any additional or fresh evidence.

[3] This appeal gives rise to two issues. First, whether the tribunal erred when it found Holdings had met its initial evidentiary burden before it shifted to Matol the evidentiary burden. Second, whether, based on the new evidence before me, the Mark whose first use was said to be October 31, 1994 in association with the Wares had become distinctive so as to claim the benefit of subsection 12(2) of the *Act*.

[4] Both Matol and Holdings substantially agree the jurisprudence is settled on the test to be applied for the purpose of interpreting paragraph 12(1)(a) of the *Act*. That test, derived from the

jurisprudence, (*Canada (Registrar of Trade Marks v. Coles Book Stores Ltd.*), [1974] S.C.R. 438; *Gerhard Horn Investments Ltd. v. Registrar of Trade Marks* (1983), 73 C.P.R. (2d) 23 and *Standard Oil Company v. the Registrar of Trade Marks*, [1968] 2 Ex.C.R. 523) is:

- 1) The first and foremost condition is whether the Mark is the name or surname of a living individual or an individual who has recently died;
- 2) If the answer to the first question is affirmative, then the Registrar must determine if in the mind of the average Canadian consumer the Mark is “primarily merely” a name or surname rather than something else. [Emphasis mine.]

[5] The parties do not disagree that the first part of the test was met by the evidence, i.e. the Mark is the name of an individual who died in 1993.

[6] The parties are also in agreement on the standard of review of the tribunal’s decision. It is set out by Justice Binnie in *Mattel, Inc. v. 3894207 Canada Inc.*, [2006] 1 S.C.R. 772, at paragraphs 40 and 41 which read:

40 Given, in particular, the expertise of the Board, and the "weighing up" nature of the mandate imposed by s. 6 of the Act, I am of the view that despite the grant of a full right of appeal the appropriate standard of review is reasonableness. The Board's discretion does not command the high deference due, for example, to the exercise by a Minister of a discretion, where the standard typically is patent unreasonableness (e.g. *C.U.P.E. v. Ontario (Minister of Labour)*, [2003] 1 S.C.R. 539, 2003 SCC 29, at para. 157), nor should the Board be held to a standard of correctness, as it would be on the determination of an extricable question of law of general importance (*Chieu v. Canada (Minister of Citizenship and Immigration)*, [2002] 1 S.C.R. 84, 2002 SCC 3, at para. 26). The intermediate standard (reasonableness) means, as Iacobucci J. pointed out in *Ryan*, at para. 46, that "[a] court will often be forced to accept that a decision is reasonable even if it is unlikely that the court would have reasoned or decided as the tribunal did". The question is whether the Board's decision is supported by reasons that can withstand "a somewhat probing" examination and is not "clearly wrong": *Southam Inc.*, at para. 60.

41 The foregoing analysis of the proper standard of review is consistent with the jurisprudence of the Federal Court of Appeal: see in particular *Molson v. Labatt*, per

Rothstein J.A., at para. 51; *Novopharm Ltd.*, per Strayer J.A., at para. 4; *Polo Ralph Lauren Corp. v. United States Polo Assn.* (2000), 9 C.P.R. (4th) 51, per Malone J.A., at para. 13, and Isaac J.A., at para. 10; *Christian Dior, S.A. v. Dion Neckwear Ltd.*, [2002] 3 F.C. 405, 2002 FCA 29 per Décary J.A., at para. 8, and *Purafil, Inc. v. Purafil Canada Ltd.* (2004), 31 C.P.R. (4th) 345, 2004 FC 522, per MacKay D.J., at para. 5.

[7] In *Mattel*, Justice Binnie referred to, with approval, Justice Rothstein's decision when he was a member of the Federal Court of Appeal, in *Molson Breweries v. John Labatt*, [2000] 3 F.C. 145 at paragraph 51 (*Molson/Labatt*) which focused on the impact new evidence on appeal might have on the standard of review:

51 I think the approach in *Benson & Hedges* and *McDonald's Corp.* are consistent with the modern approach to standard of review. Even though there is an express appeal provision in the Trade-marks Act to the Federal Court, expertise on the part of the Registrar has been recognized as requiring some deference. Having regard to the Registrar's expertise, in the absence of additional evidence adduced in the Trial Division, I am of the opinion that decisions of the Registrar, whether of fact, law or discretion, within his area of expertise, are to be reviewed on a standard of reasonableness simpliciter. However, where additional evidence is adduced in the Trial Division that would have materially affected the Registrar's findings of fact or the exercise of his discretion, the Trial Division judge must come to his or her own conclusion as to the correctness of the Registrar's decision.
[Emphasis mine.]

[8] I take it from these two cases, the standard of review has been settled (see *Dunsmuir v. New Brunswick*, 2008 SCC 9, at paragraph 62). That standard is reasonableness. The Federal Court of Appeal confirmed this standard of review in its post *Dunsmuir* decision in *Scott Paper Limited v. Smart & Biggar et al*, 65 C.P.R. (4th) 303, at paragraph 11 (*Scott Paper*).

[9] In *Dunsmuir*, Justices Bastarache and LeBel provided guidance on the parameters of a reasonable decision:

47 Reasonableness is a deferential standard animated by the principle that underlies the development of the two previous standards of reasonableness: certain questions that come before administrative tribunals do not lend themselves to one specific, particular result. Instead, they may give rise to a number of possible, reasonable conclusions. Tribunals have a margin of appreciation within the range of acceptable and rational solutions. A court conducting a review for reasonableness inquires into the qualities that make a decision reasonable, referring both to the process of articulating the reasons and to outcomes. In judicial review, reasonableness is concerned mostly with the existence of justification, transparency and intelligibility within the decision-making process. But it is also concerned with whether the decision falls within a range of possible, acceptable outcomes which are defensible in respect of the facts and law.

...

49 Deference in the context of the reasonableness standard therefore implies that courts will give due consideration to the determinations of decision makers. As Mullan explains, a policy of deference "recognizes the reality that, in many instances, those working day to day in the implementation of frequently complex administrative schemes have or will develop a considerable degree of expertise or field sensitivity to the imperatives and nuances of the legislative regime": D. J. Mullan, "Establishing the Standard of Review: The Struggle for Complexity?" (2004), 17 C.J.A.L.P. 59, at p. 93. In short, deference requires respect for the legislative choices to leave some matters in the hands of administrative decision makers, for the processes and determinations that draw on particular expertise and experiences, and for the different roles of the courts and administrative bodies within the Canadian constitutional system.

...

53 Where the question is one of fact, discretion or policy, deference will usually apply automatically (*Canada (Attorney General) v. Mossop*, [1993] 1 S.C.R. 554, at pp. 599-600; *Dr. Q*, at para. 29; *Suresh*, at paras. 29-30). We believe that the same standard must apply to the review of questions where the legal and factual issues are intertwined with and cannot be readily separated.

[10] This jurisprudence is also clear that where questions of fact are involved, the tribunal enjoys on those questions considerable deference as expressed by Parliament in paragraph 18.1(4)(d) of the *Federal Courts Act* which provides a decision may be set aside if the tribunal "based its decision or order on an erroneous finding of fact that it made in a perverse or capricious manner or without

regard for the material before it” (see also *Mugesera v. Canada (Minister of Citizenship and Immigration)*, [2005] 2 S.C.R. 100, at paragraphs 37 and 38.)

Facts

[11] After Matol filed its application to register the Mark on February 5, 1999, Matol was met with an office action in which the Examiner raised a number of questions including whether the Mark was barred from registration on account of section 12(1)(a) of the *Act*. It was in this context Matol filed with the Examiner the affidavit of Robert Bolduc, a co-founder and president of Matol, dated March 16, 2001, with Exhibits RB-1, RB-2 and RB-3 claiming the benefit of subsection 12(2) of the *Act*.

[12] In that affidavit, Robert Bolduc explained that:

- 1) The Applicant, incorporated in March 1986, is a subsidiary of Matol Botanical International Ltd. (Botanical); the Applicant is the holder of all Canadian trade-mark registrations owned by Botanical which is the producer and marketer of the Wares in Canada;
- 2) The principal product marketed by Botanical is a mineral supplement in liquid form sold in Canada under the trade-mark MATOL. This mineral supplement was discovered by Dr. Karl Jurak.

3) Since October 31, 1994, the mineral supplement and other herbal products have been marketed in Canada under the trade-mark Matol in association with the trade-mark KARL JURAK;

4) Botanical's products are not marketed in retail stores in Canada; rather they are sold by direct sales to Canadian consumers through Matol distributors.

[13] The Examiner withdrew her objection based on section 12(1)(a) on June 6, 2001 apparently on the basis of a new Office practice without providing any further details.

[14] Before and subsequent to the filing of the application for the registration of the Mark, the parties to this appeal (Matol as applicant and Holdings as opponent) were involved in related opposition proceedings before the CIPO as follows:

- Application by Matol on December 5, 1997 to register the trade-mark KARL JURAK 1904-1993 & Design; the design is a likeness of Dr. Jurak's face. This registration was allowed by member Carrière on December 14, 2007;
- Application by Matol on February 5, 1999 to register the trade-mark KARL JURAK 1904-1993 which was allowed by member Carrière on December 14, 2007;
- Application in December 23, 1998 by Matol to register the proposed trade-mark JURAK in connection with a number of wide-ranging wares and services. This registration was allowed on March 3, 2006 by another member of the Trade-Marks Opposition Board.

[15] On October 3, 2001, Holdings filed a statement of opposition to Matol's application to register the trade-mark KARL JURAK. That opposition was supported by the affidavit of Anthony Carl Jurak who was cross-examined. Anthony Carl Jurak is the President of Holdings since its incorporation on January 1, 1998 and the Chairman and Chief Executive Officer of Jurak Corporation World Wide Inc. since its incorporation in November 1997, of which Holdings is the majority shareholder. He is the son of Karl Jurak. He was a co-founder of Botanical and the company's original Chairman from 1984 to 1991 when he became Co-chairman with Robert Bolduc and Sam Kalenuik. He left Botanical in 1997. Holdings markets its wares in Canada and the United States under the trade-mark JURAK CLASSIC. One of those wares is his father's original whole body tonic formulation. Holdings raised four grounds of opposition:

- Non compliance with the requirements of section 30(i) of the *Act* in that "the Applicant could not have been satisfied that it was entitled to use the Mark as it had knowledge that Karl Jurak is primarily merely the name of a famous individual who died within the preceding thirty years. Holdings submitted the Mark is not registrable and is incapable of functioning as a trade-mark;
- Non compliance with section 30(b) of the *Act* as the Applicant has not used the Mark in Canada since October 31, 1994 in association with the wares;
- The Mark is non registrable pursuant to section 12(1)(a) of the *Act* for the same reasons as it mentioned in its section 30(i) ground of opposition adding: "Furthermore, although

there may be less than 25 entries for the name Karl Jurak in Canadian telephone directories, evidence will show that the name is that of a famous individual.” Counsel added a comment that Matol’s application was not saved by the Practice Notice of August 16, 2000 “which the Examiner appears to have relied on in this manner”;

- The Mark is not distinctive in that it is not adapted to distinguish the Applicant’s wares from the wares or services of others as the Mark is primarily the name of a famous individual. Counsel added: “The Applicant’s section 12(2) evidence does not show use of the name Karl Jurak as a trade-mark and does not support a finding that the Mark has become distinctive at the date of the filing of the application.

[16] On April 2, 2002, Matol filed its Counter Statement to the Opposition generally denying the validity of the grounds invoked by Holdings.

[17] On May 1, 2002, Holdings filed an Amended Statement of Opposition to delete reference to Matol’s section 12(2) evidence and to the Practice Notice.

[18] On November 4, 2002, Holdings filed its evidence in the opposition proceedings namely the affidavit of Anthony Carl Jurak with Exhibits; the affidavit of Arlene E. Siderius with Exhibits and the affidavit of Glenn A. Berg with Exhibits.

[19] On April 29, 2004, Matol filed its evidence, in support of the application, the affidavit of Robert Bolduc dated April 29, 2004 and the affidavit of Jennifer Petras.

[20] On July 18, 2005, Matol filed its written argument. It pointed out that non compliance with section 12(1)(a) was Holdings' primary grounds of opposition, namely, the Mark is a word that is primarily merely the name or surname of an individual who has died in the preceding thirty years. Matol wrote of Holdings' theory: "Because Jurak is a very rare surname, it cannot be "primarily merely" a surname unless a given individual bearing this surname is "well-known" or famous. Therefore this is what the opponent is alleging."

[21] Matol also submitted "Karl Jurak is not a famous individual in the minds of the average Canadians" for a number of reasons including the fact that "the vast majority of Canadian consumers don't know Karl Jurak and his diverse accomplishments because the products are distributed only by independent distributors. There is no general publicity for the sale of these products". Matol concluded its submission on this point by stating "in reality, there is no evidence of Karl Jurak receiving any attention in Canada" concluding that the Mark was registrable having regard to the provisions of 12(1)(a) of the *Act*. In terms of distinctiveness, Matol argued "this is really the same argument as that made in respect of section 12(1)(a), we therefore reiterate our arguments above". Matol submitted Holdings had an initial evidentiary burden to establish some facts to support its allegation on non registrability and there was no sufficient evidence to support its burden.

[22] Holdings filed its written reply on November 18, 2005. On the section 12(1)(a) issue, Holdings referred to the CIPO's Practice Notice of August 16, 2002. It argued, based on a reading of that Practice Notice, the Mark was not registrable. It stated the Practice Notice provided in part

“the Examiner will only object to an application on the basis of section 12(1)(a) if there are at least 25 entries of the name in Canadian telephone directories”. Holdings wrote: “We concede that, in this case, no evidence has been filed showing that there are at least 25 entries for KARL JURAK in Canadian telephone directories.” Holdings pointed out, however, the Practice Notice provided “if research discloses the Mark consists of the name or surname of a famous individual an objection may be raised notwithstanding the existence of less than 25 entries”. Holdings then argued the evidence showed KARL JURAK is the name of a famous individual.

The tribunal’s decision

[23] For the purposes of this appeal, I will limit my consideration of the tribunal’s decision to its discussion of the issue of Holdings’ evidential burden in the context of the section 12(1)(a) issue of non registrability on the basis the Mark is “primarily merely the name of an individual who died within the last thirty years” and the subsection 12(2) issue of acquired distinctiveness. Holdings did not cross-appeal in this Court the two other grounds of opposition which it had raised in its statement of opposition, namely, the Matol’s non compliance with sections 30(i) and 30(b) of the *Act* but which the tribunal ruled Holdings had not established.

[24] In terms of burden, the tribunal stated:

The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial evidential onus 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 onus is met, the Applicant still has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark. [See *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30

C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] FC 722.] [Emphasis mine.]

[25] As to the relevant dates for the analysis of the registrability of the Mark under section 12(1)(a) of the *Act*, the tribunal stated:

- Registrability of the Mark under s. 12(1)(a) of the *Act*: also the filing date of the application; [See *Calvin Klein Trademark Trust v. Wertex Hosiery Inc.* (2005), 41 C.P.R. (4th) 552]

[26] For distinctiveness, he ruled:

- Distinctiveness of the Mark: the filing date of the statement of opposition is generally accepted as the relevant date (October 3, 2001). [See *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)]

(a) The section 12(1)(a) issue

[27] The tribunal began its discussion of this issue by stating the focus was on whether the Mark, KARL JURAK, is a word “primarily merely” the name or surname of an individual who has died in the past 30 years stating that the bulk of the evidence filed in the proceeding before it related to this issue.

[28] Based on that evidence, the tribunal ruled there was no doubt there was an individual by the name of KARL JURAK who died in 1993. It then referred to the Practice Note, issued by the Registrar on August 16, 2000, providing some guidelines on the application of section 12(1)(a) which, in his view, were not binding on the Registrar at the decision stage of an opposition in contrast to the examination stage.

[29] The tribunal then set out the test, developed from the jurisprudence, on the application of section 12(1)(a) of the *Act* set out in paragraph 4 of these reasons which for convenience I repeat here:

- 1) The first and foremost condition is whether the Mark is the name or surname of a living individual or an individual who has recently died;
- 2) If the answer to the first question is affirmative, then the Registrar must determine if in the mind of the average Canadian consumer the Mark is "primarily merely" a name or surname rather than something else.

[30] The tribunal ruled, as noted, the first part of the test had been met and therefore the question before him was whether the average consumer would consider the Mark, KARL JURAK, as "primarily merely" the name of an individual "or something else". [Emphasis mine.]

[31] The tribunal commented Holdings had filed much material to establish that KARL JURAK was a famous person having determined the name Jurak was not found at least 25 times in Canadian telephone directories characterizing, in these circumstances, the argument of Holdings that if the Mark is the name of a famous person, the average Canadian consumer would automatically consider the Mark as "primarily merely" the name or surname of a person.

[32] After summarizing the evidence before him, the tribunal ruled:

With all due respect for the late Dr. Karl Jurak I do not think that the evidence described above is sufficient to conclude that he was a famous person known to the average Canadian consumer. He might be known in Tulsa, Oklahoma or even in San Antonio, Texas in view of the centres opened in these cities by The Foundation but there is no evidence that enables me to conclude that his fame in the United States is of such a magnitude that it spilled over in Canada. His whole body tonic might have

been popular in the 1950's but there is no evidence that such popularity carried over the relevant dates such that Canadians when confronted with the name Karl Jurak would immediately associate the late Dr. Karl Jurak to such product. The Canadian sales figures provided were not of a magnitude that they would infer an association amongst the Canadian consumers between such trade-mark and the late Karl Jurak. [Emphasis mine.]

[33] Mr. Carrière then added and concluded:

Having concluded that the evidence filed falls short of establishing that the Mark is recognized in Canada as the name of a famous person, I do not think that such conclusion puts an end to the test applicable when s. 12(1)(a) is raised as a ground of opposition. In fact s. 12(1)(a) of the Act does not require the individual to be famous in order for the prohibition to apply. Evidence that a name would appear at least 25 times in Canadian telephone directories only gives an indication that such name could be viewed by the average Canadian consumer as a name of an individual. The absence of such proof is not fatal to an opposition based on s. 12(1)(a). In our case there is no evidence that JURAK has any other meaning.

The burden is on the Applicant to show that the Mark is registrable despite the prohibition under s. 12(1)(a). There is no evidence that would demonstrate that the combination of the given name KARL with the surname JURAK would have in the minds of the average Canadian consumer of the Wares any other meaning than the Wares originate from an individual by the name of Karl Jurak.

Given that there is evidence that Karl Jurak was an individual who has died during the preceding thirty years and the Mark would be viewed in the mind of the average Canadian consumer as "primarily merely" as a name, I conclude that the Mark is not registrable as prohibited under the provisions of s. 12(1)(a) of the Act. [Emphasis mine.]

(b) The subsection 12(2) issue and the separate distinctiveness ruling

[34] The record indicates that Holdings raised as a ground for opposition that the Mark KARL JURAK was not distinctive in that it is not adapted to distinguish the Applicant's wares from others being primarily the name of a famous person. On the other hand, Matol claimed the benefit of subsection 12(2) which overrides the deficiency on account of 12(1)(a), if at the date of the application (February 5, 1999), the trade-mark which is applied for registration "has been so used in

Canada as to have become distinctive”. As a result, two different issues related to distinctiveness arose.

[35] The tribunal, in its ruling, only dealt with the issue of distinctiveness raised by Holdings as a ground for opposition. It did not deal with Matol’s subsection 12(2) claim because the material which it had filed with the Examiner, namely Robert Bolduc’s March 16, 2001 affidavit was not part of the opposition file, thus finding Matol’s evidence did not address the issue the Mark had acquired distinctiveness at the relevant time under subsection 12(2) of the *Act*.

[36] The tribunal confined its remarks to the issue of distinctiveness raised by Holdings and for this purpose considered Robert Bolduc’s affidavit dated April 24, 2004. The tribunal stated Matol had the legal onus to “show that its mark is adapted to distinguish or actually distinguishes its wares from that of the Opponent throughout Canada” and concluded “there is no evidence in the file to that effect.”

[37] Of Mr. Bolduc’s April 24, 2004 affidavit, the tribunal found:

Mr. Bolduc states in his affidavit that the Mark has been used as an associated mark with the trade-mark MATOL. The evidence described above falls short from establishing that the Mark has been used in Canada prior to the relevant date, namely October 3, 2001, in such a way that it does serve to distinguish the Applicant's Wares from the wares and services of others. As an example the Applicant failed to provide the annual sales figures from 1994 to 2002. The only reference to sales in Mr. Bolduc's affidavit is with respect to 2003. As noted earlier some of the containers bearing the trade-mark MATOL filed by Mr. Jurak and allegedly used by the Applicant since 1994 do not have any reference to the Mark. Therefore it is impossible to ascertain the percentage of the sales of the Wares in 2003 associated with the Mark as opposed to the trade-mark MATOL alone, even if such evidence was relevant. [Emphasis mine.]

[38] The tribunal observed “that the Applicant did not rely on the provisions of section 12(2) of the *Act* in its counter statement or in its written arguments”, stating, as noted, “the evidence filed by the Applicant at the examination stage to claim the benefit of section 12(2) of the *Act* does not form part of the opposition file” citing *Molson Breweries, A Partnership v. The Registrar of Trade-marks* (1992), 41 C.P.R. (3d) 234, expressing the view “the Applicant's evidence does not address the issue that the Mark would have acquired distinctiveness at the relevant date”.

[39] Mr. Carrière concluded as follows on this point:

As the Mark consists primarily merely the name of an individual who has died within the last thirty years and in the absence of evidence that would prove that the Mark acquired distinctiveness at the relevant date, I conclude that the Mark could not served to distinguish the Wares from the wares and services of others. The fourth ground of opposition is therefore maintained.

Analysis

(a) The standard of review

[40] This issue has been previously addressed in these reasons. The standard of review is reasonableness.

(b) The new evidence on appeal

[41] As authorized by subsection 56(5) of the *Act*, Matol through the affidavit of Robert Bolduc dated November 7, 2007, filed the following pieces of evidence not before the tribunal:

- 1) The affidavit of Robert Bolduc, dated March 16, 2001, filed with Examiner H el ene Gaudreau the same day, for the purpose of claiming the benefit of section 12(2) of the *Act*;

- 2) The search results from the internet site of Canada 411 showing that the name JURAK is found in only 22 times in Canadian telephone directories; and
- 3) A copy of a search report, on Google's internet site, showing that the name JURAK is defined, according to Wikipedia, in English to mean "a Shisha pipe, also known as hookah, water pipe or argileh, is a smoking pipe.

(c) The applicable jurisprudence

(1) On the section 12(1)(a) issue of non registrability

[42] The tribunal correctly relied upon the following decisions as the leading cases on the issue of non-registrability of a trade-mark on account of its being "primarily merely the name or surname of an individual" in section 12(1)(a) of the *Act* (in French "... constituée d'un mot n'étant principalement que le nom ou le nom de famille d'un particulier ...") were:

- The Supreme Court of Canada's decision in *Canada (Registrar of Trade Marks) v. Coles Book Stores Limited*, [1974] S.C.R. 438 (*Coles*);
- The Exchequer Court of Canada's decision in *Standard Oil Co. v. the Registrar of Trade Marks*, [1968] 2 Ex.C.R. 523 (*Standard Oil*);
- *Gerhard Horn Investments Ltd. v. Registrar of Trade Marks*, [1983] 2 F.C. 878 (*Gerhard Horn*).

[43] In terms of analysis of the case at hand, I would add to this list Justice Cattanach's decision in *Galanos v. Canada (Registrar of Trade Marks)* (1982), 69 C.P.R. (2d) 144 (*Galanos*), as well as his decision in *Elder's Beverages (1975) Ltd. v. Canada (Registrar of Trade Marks)*, [1979] 2 F.C. 735 (*Elder's*).

[44] In *Coles*, the contest was between a word readily recognizable as a surname (Coles) and the dictionary meanings of the word "cole" which was rare and largely obsolete. Justice Judson, on behalf of the Supreme Court of Canada, noted that section 12(1)(a) of the *Act* was added by Parliament in 1952, wording which was copied from U.S. legislation enacted in 1946. Justice Judson stated that it was "essential to any inquiry into registrability must now begin with the new words themselves." He wrote:

"They are common English words. Is the primary (chief) (principal) (first in importance) meaning of the word merely (only) (nothing more than) a surname?"

[45] Referring to U.S. jurisprudence, he said the inquiry was a search for the dominant (principal) characteristic of the trade-mark and that if that dominant characteristic was to be found in a surname, it was excluded from registration, i.e. primarily merely a surname.

[46] Applying the test of what would be the response of the general public to the word sought to be registered which he acknowledged was derived from Jackett P.'s decision in *Standard Oil*, he concluded:

In the case at bar, the evidence clearly establishes that "Coles" is a surname that is well-known to the general public of Canada. On the other hand, the dictionary

meanings of the word "cole" and in its plural form "coles", particularly as found in the Oxford English Dictionary, are largely obsolete. A customer in need of a cabbage does not ask for a "cole". The only common use of the word that I can think of is in the word "coleslaw". The inference I draw from the evidence concerning the dictionary definitions of the word "cole" is that it is a word of rare, if not obsolete, usage and would be little known to the general public of Canada. I do not agree with the conclusion of the learned Judge of the Exchequer Court that the principal character of the word "Coles" is "equally that of a surname and of a dictionary word in the English language." My only possible conclusion in this case is that a person in Canada of ordinary intelligence and of ordinary education in English or French would immediately respond to the trade mark "Coles" by thinking of it as a surname and would not be likely to know that "Coles" has a dictionary meaning. [Emphasis mine.]

[47] In *Standard Oil*, the conflict was between the word applied for registration for proposed use being the acronym (coined) word FIOR which had no dictionary meaning (being the first letters of the words "fluid iron ore reduction") and the rare surname FIOR for a number of individuals (1 in Montreal, 9 in Toronto, 3 in Los Angeles, 2 in San Francisco and one in Indiana).

[48] Mr. Justice Jackett, as President of the Exchequer Court, after noting that for trade-mark purposes "there are at least three classes of "words", viz, dictionary words, names, and invented words", stated that he was satisfied the evidence before him established "FIOR is a word that is the surname of an individual who is living", adding however, "the further question to be decided is, whether "FIOR" is "primarily merely" such a word." He found that it had been established by affidavit filed with the Court that the trade-mark was a word invented by the Company for use as its trade-mark. The President ruled "it follows that FIOR is not "merely" the surname of a living person because it has existence as a word invented ... for trade-mark purposes. He then wrote:

The next stage in considering the problem of applying section 12(1)(a) to the word "FIOR" is to consider whether "FIOR" is "primarily" the surname of a living person (Note that the French version uses the word "principalement" where the English version uses "primarily".) In other words, is the chief, main or principal character of

"FIOR" that of a surname or is it principally or equally a word invented to be used as a trade mark?

and stated the test as being:

The test, for the purposes of section 12(1)(a) is not, in my view, the reaction of either of these classes of persons [the persons with the surname FIOR or Standard Oil's trade mark advisor who coined that word]. The test must be what, in the opinion of the respondent or the Court, as the case may be, would be the response of the general public of Canada to the word. My conclusion is that a person in Canada of ordinary intelligence and of ordinary education in English or French would be just as likely, if not more likely, to respond to the word by thinking of it as a brand or mark of some business as to respond to it by thinking of some family of people (that is, by thinking of it as being the surname of one or more individuals). Indeed, I doubt very much whether such a person would respond to the word by thinking of there being an individual having it as a surname at all.

I am, therefore, of the view that it is probably not "primarily" a word that is a surname of an individual at all, but it is certainly not primarily "merely" such a word.

I have probably been influenced in coming to the conclusion that I have expressed as to how the word "primarily" in section 12(1)(a) should be applied by the fact that applying the provision solely by reference to the existence of a dictionary meaning of a proposed trade mark would make practically every invented word vulnerable to attack as a proposed trade mark by anyone assiduous enough to pursue his searches for its use as a surname somewhere in the world (or, indeed, in a country such as Canada even if the search were restricted to Canada). I cannot believe that section 12(1)(a) was intended virtually to eliminate the creation of new words for purposes of proposed trade marks. [Emphasis mine.]

[49] In the *Gerhard Horn*, the contest for the registration of trade-mark MARIO PECCI, a name where there was no evidence of a living individual with that name (a fictitious or imaginary name), but where there was evidence of at least two individuals residing in Canada bearing the surname "Pecci". A further search indicated one telephone directory listing of the surname PECCI in New York and in Paris and ten in the telephone directories of Rome and Florence.

[50] Justice Cattanach determined there was no impediment under section 12(1)(a) of the *Act* to the registrability of a fictitious person because the section focussed on the crucial word “individual” in the context of a person who was living or had died within the last thirty years. The problem occurred when “by chance the fictitious name coined by the applicant for registration thereof coincides with such a person”.

[51] According to Justice Cattanach, this is where the *Coles/Standard Oil* test came into play a test to determine whether “a word sought to be used as a trade mark is "primarily merely" the name or surname of an individual (which means a real person as contrasted to an imaginary one) or something else such as a dictionary word, an invented or coined word or the brand or mark of some business”. [Emphasis mine.]

[52] In the case before him, Justice Cattanach was of the view the Registrar (through the examiner) had erred by embarking on an analysis of what would the average Canadian would think of the proposed name. The Registrar had to find first the condition precedent to this exercise – the existence of an individual bearing the name of the trade-mark.

[53] Finally, he ruled that the discovery of one living person in Canada with the surname Pecci “was not the question here” because the trade-mark sought to be registered was not the surname Pecci but MARCO PECCI concluding “the name cannot be the name of an individual if there be no such person”.

[54] In *Elder's*, the trade-mark sought to be registered was ELDER'S, the evidence showing of substantial significance ELDER is both the surname of individuals and also it had several dictionary meanings. In this context, Justice Cattanach applying the reaction of the average Canadian test found that such person "would not assign to the word "elder" a more dominant characteristic either as a surname or as a dictionary word". As a result, the proposed Mark was registrable because it was not primarily the name or surname of an individual.

[55] In *Galanos*, a 1982 decision of Justice Cattanach, the trade-mark applied for was GALANOS, a word which was the surname of the applicant for registration (Mr. James G. Galanos). The evidence showed a search of telephone directories that there were 3 listings in Toronto and two in Montreal. In terms of dictionary meaning, there was none in the English and French dictionaries but the English-Spanish dictionary defined "galano" as tasteful or elegant. The census figures indicated there were over 23,000 residents in Canada whose mother tongue was Spanish. The Applicant, in that case, conceded Galanos was the name of an individual but argued the word was not primarily merely a surname because of its rarity in Canada and the fact the word had meaning in the Spanish language.

[56] Justice Cattanach referred to the three categories of words identified by Jackett P. in the *Standard Oil* case (dictionary words, names and invented words) and expressed the view that unknown foreign words may be another category. Based on the evidence before him, he stated Galanos is a surname but not a widely known one and is meaningless in English or French. He held being meaningless "does have a significance" – being a foreign word without meaning in English or

French “it is a coined, fancy or invented word sought to be used as a trade-mark”. He concluded such would be the likely thinking of the average Canadian reacting to the word Galanos.

[57] I cite a more recent case that of *Mario Valentino S.p.A. v. Valint N.V.* (1999), 4 C.P.R. (4th) 1, a decision of my colleague Justice Campbell who dismissed an appeal from a refusal by the Registrar under section 12(1)(a) of the *Act* to register as trade-marks MARIO VALENTINO, the name of a deceased designer. Justice Campbell applied the two part test set out by Cattanach J. in *Gerhard Horn*. In the case before him, the Registrar after finding Mario Valentino was the name of a recently deceased person had stated:

Since there is no other likely connotation for these words, and nothing was filed which would suggest an alternative meaning, it appears that the average consumer would view the mark as being primarily merely the surname of an individual who is living or has died in the past thirty years. The onus is on the applicant to show otherwise and they have failed to do so.

[58] Justice Campbell found no error in the Registrar’s analysis.

(2) On the subsection 12(2) acquired distinctiveness issue

[59] The leading case in this area is the *Molson/Labatt* case cited above, leave to appeal denied by the Supreme Court of Canada, in which Justice Rothstein, then a member of the Federal Court of Appeal, wrote the reasons for the majority. In that case, Molson had sought to register the trade-mark EXPORT for use in association with brewed alcoholic beverages. Subsection 12(2) was engaged. Labatt opposed the registration on the basis the Mark was either clearly descriptive or deceptively misdescriptive of the character and quality of brewed alcoholic beverages and on the basis that it was not distinctive.

[60] This case is instructive on a number of points related to subsection 12(2) of the *Act*; the first one being that the relevant date for determining distinctiveness under this provision is at the date of the filing of the application for its registration, here February 5, 1999.

[61] Second, Justice Rothstein discussed the question of standard of proof under subsection 12(2) in the context of the previous jurisprudence which often referred to a “heavy onus” in an application under subsection 12(2) of the *Act*.

[62] He wrote the following at paragraph 53 of his reasons:

53 Although no case suggests otherwise, I think it is salutary to confirm that the standard of proof under subsection 12(2), as in other civil proceedings, is proof on a balance of probabilities. The term "heavy onus" would appear to be directed to the exceptional aspect of subsection 12(2). Subsection 12(2) is an exception to non-registrability of a trade-mark under paragraph 12(1)(a) or (b). In this case, Molson concedes that the term "Export" was clearly descriptive of a quality of beer. However, because of its long use in Canada by Molson--since 1903--it is said to have become distinctive, that is, that its original descriptive connotation had been subordinated in the minds of the public in relation to Molson's "Export" beer product, such that its secondary or distinctive meaning will dominate²¹. It is because subsection 12(2) is an exception to non-registrability of clearly descriptive terms, that an applicant must provide evidence on an issue that does not arise when a trade-mark has not been a clearly descriptive term. In this case, evidence must be adduced that long use has caused a descriptive word in association with beer to have become distinctive of the Molson's beer product. If such evidence is provided, it is to be assessed on a balance of probabilities. There is no onus beyond the onus of addressing and satisfying the requirement of subsection 12(2).

[63] He concluded at paragraph 54 by stating “Accordingly, what the applicant under subsection 12(2) must show is that the trade-mark it seeks to register, although it may be

descriptive, has acquired a dominant secondary or distinctive meaning in relation to the wares or services of the applicant.” [Emphasis mine.]

[64] Justice Rothstein then assessed the decision of the trial judge who had allowed the appeal from a decision of the Registrar of Trade-marks that the applied for trade-mark was not registrable. One of the findings at trial was that MOLSON is in effect “a house mark” and that EXPORT is a brand of beer sold by Molson. The trial judge had observed that all of the labels of the Molson family contain the house mark “Molson” in conjunction with the brand names: CANADIAN, GOLDEN or EXPORT.

[65] On appeal before the trial judge, Molson had filed additional or fresh evidence not before the Registrar, in particular Molson sales and advertising figures which in part caused the judge to allow the appeal. Justice Rothstein observed at paragraph 79 as follows:

79 By contrast, in the present case, the evidence is that the word "Export" never appears alone but only in conjunction with the word "Molson" or "Molson's" on bottles or cartons³². On the bottles, the words "Molson" or "Molson's" and "Export" are of the same size and of the same appearance. Therefore, I do not see how extensive sales or advertising expenditures prove that the word "Export" alone is distinctive of Molson's beer. I have no doubt that the term "Molson Export" is distinctive but here Molson is attempting to separate the two words by calling Molson a "house-mark" and "Export" a "trade-mark". I fail to see the significance of the distinction. In all the advertising evidence, the effort is to present the words "Molson Export" and not "Export" alone.

[66] He concluded at paragraph 81:

81 As I have said, I have no difficulty accepting that the words "Molson Export" are distinctive of a Molson product. However, the evidence does not lead to the conclusion that the term "Export" of itself is distinctive of the product.

d) Discussion and conclusions

(1) The strength of the additional evidence

[67] In my view, the additional evidence, with one exception to be discussed in the context of the section 12(2) issue, produced on appeal by Matol is not of sufficient materiality to affect the findings of fact made by the Registrar and, consequently, is insufficient to displace the standard of reasonableness (see *Wrangler Apparel Corp. v. Timberland Co.*, at paragraphs 4 and 7, a decision of my colleague Justice Snider reported at 2005 FC 722 (*Wrangler*)).

[68] The search results from Canada 411 is merely supplements already in the record (see *Wrangler*, at paragraph 7); the dictionary definition in Persian of jurak as a hookah would have no impact on the average Canadian consumer as that term is not found in English or French dictionaries. In support of its allegation that Matol has continuously used the Mark KARL JURAK since 1994, Matol filed the affidavit of Robert Bolduc dated April 24, 2004 with Exhibit RB-1 being invoices from Botanical to various distributors and Exhibit RB-2 being a photocopy of a bottle of the mineral supplement featuring the trade-mark Matol underneath which was printed the phrase “Karl Jurak formula”.

[69] The tribunal was satisfied the evidence was sufficient for purposes of dismissing Holdings’ objection in the section 30(b) ground. However the tribunal found Mr. Bolduc’s evidence wanting on the issue of distinctiveness and ruled that there was an absence of evidence that the Mark had distinctiveness at the relevant date. The tribunal concluded the Mark Karl Jurak did not serve to distinguish the wares from the wares and services of others and maintained Holdings’s opposition on that ground.

(2) The burden of proof issue

[70] Counsel for Matol argues Holdings did not discharge its initial evidentiary burden and the tribunal erred in so finding. He points to the Practice Guidelines of April 26, 2000 which provide, subject to a person being famous, an examiner does not pursue a section 12(1)(a) objection unless a search of Canadian telephone directories reveals more than 25 listed names which is not the case with the surname JURAK and it was also the case the tribunal found Dr. Karl Jurak not to be a famous person in Canada.

[71] Counsel for Matol argues that, in the context of these two findings, it was Holdings' burden to establish in a preliminary way why the average Canadian consumer would consider that such a rare and uncommon name as Karl Jurak was primarily merely the name of an individual.

[72] I agree with counsel for Matol that Holdings had an initial evidentiary burden but one was limited to the first part of the two part test set out in *Gerhard Horn*, that is, Holdings had to show Karl Jurak was an individual who died within the last 30 years. It discharged that evidentiary burden through the affidavit of Anthony Carl Jurak, a finding which was not contested in this Court.

[73] Matol's counsel would impose a further evidentiary burden on Holdings to adduce evidence demonstrating the average Canadian would think that the trade-mark applied for was primarily merely the name of an individual who died within thirty years. With respect, I disagree. It was Matol's evidentiary and legal burden to demonstrate that the words Karl Jurak sought for trade-

mark registration were something else than the name of an individual who had died within the last thirty years, a fact which Holdings had established.

[74] This was also the ruling made by the tribunal. It stated:

- The legal burden is upon the applicant to show that its application complies with the provisions of the *Act*;
- However, there is an initial evidential onus on Holdings to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exists;
- Once this initial onus was met, Matol still “has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark”.

[75] With particular reference to section 12(1)(a), the tribunal ruled:

- Evidence that a name would appear at least 25 times in Canadian telephone directories only gives an indication that such a name could be viewed by the average Canadian consumer as a name of an individual;
- Absence of such proof is not fatal to an opposition based on section 12(1)(a);

- The burden was on Matol to show that the Mark was registrable despite the prohibition under section 12(1)(a);
- There was no evidence that would demonstrate that the combination of the given name of KARL with the surname JURAK would have in the minds of the average consumer of the wares any other meaning than the wares originate from an individual by the name KARL JURAK i.e. would be viewed “primarily merely” as a name.

[76] The tribunal cited three authorities in support of his finding on the evidentiary burden. In my opinion, the cases he relied on support his analysis. The principal authority is a decision of Justice McNair in *John Labatt Ltd. v. Molson Co.* (1990), 30 C.P.R. (3d) 293 where the Registrar had framed the evidential burden on an Opponent in opposition proceeding much in the same way as member Carrière did here “that where the opponent relies on allegations of fact in support of its grounds of opposition there is an evidentiary burden to prove those allegations”.

[77] Justice McNair agreed with this allocation of evidentiary burdens where he wrote at paragraph 11.

Considering only the decision under appeal, I am unable to agree that it was wrongly made. The jurisprudence is clear that where an applicant's compliance with paragraph 29(b) of the *Trade Marks Act* is in issue there is a legal burden on the applicant to show compliance, and an evidentiary burden on the opponent to lead evidence in support of the allegations of non-compliance pleaded by him. The evidential burden is the burden of adducing sufficient evidence to persuade the trier of fact that the alleged facts are true: see Sopinka and Lederman, *The Law of Evidence in Civil Cases* [Butterworths], pp. 395-401; *Cross On Evidence* [Butterworths], 6th ed., pp. 107-08; *Phillips On Evidence*, 13th ed., para. 44-03;

McCormick On Evidence [Hornbook Series, West Publishing Co.], 3rd ed., pp. 946-48; and Thayer, *Preliminary Treatise on Evidence at the Common Law* (1898), ch. 9.

[78] Justice McNair relied upon Sopinka and Lederman's first edition of *The Law of Evidence in Civil Cases*. An examination of that text at the pages cited by Justice McNair shows the authors were concerned with burdens of proof where it is stated the ultimate burden of proof is allocated on the basic premise that such onus is always on the person who asserts a proposition of fact which is not self evident.

[79] In the case at hand, it was Matol who had to assert and establish the Mark was not primarily merely the name of an individual but something else. On the basic principles discussed above, that burden rightfully fell on Matol which did not discharge it.

[80] The case of *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.* was a case at the Trademark Opposition Board stage (1984), 3 C.P.R. (3d) 325. Paragraph 5 of that case is much to the same effect as stated by Justice McNair.

[81] This point of view is endorsed in *Fox on Trade-Marks and Unfair Competition*, 3rd Edition at pages 5-18/5-19 referring to the *Gerhard Horn* case states:

Under the first branch of the test, there is an evidential burden, on the opponent in the case of an opposition to show that there are individuals or families which have the name in question. This has been shown by entries in phone books in several cities. This evidence is not determinative of the issue, however, since there is a second step of the analysis. [Emphasis mine.]

[82] For these reasons, I find no error in the tribunal assessment of the initial burden.

(3) The subsection 12(2) issue

[83] In assessing whether Matol, on a balance of probabilities, has demonstrated the trade-mark KARL JURAK has been so used in Canada by Matol “as to have become distinctive at February 5, 1999, the date of the application for its registration, I have examined the totality of the evidence before me which includes the three Bolduc affidavits, upon which there was no cross-examination in the record, and the three affidavits submitted by Holdings including Anthony Carl Jurak’s cross-examination. This evidence must be assessed against relevant statutory provisions and the applicable jurisprudence particularly the teachings in Molson/Labatt. “Use” and “distinctive” are defined in the *Act* as follows:

2. In this Act,

2. Les définitions qui suivent s’appliquent à la présente loi.

...

...

distinctive" , in relation to a trade-mark, means a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them;

«distinctive » Relativement à une marque de commerce, celle qui distingue véritablement les marchandises ou services en liaison avec lesquels elle est employée par son propriétaire, des marchandises ou services d’autres propriétaires, ou qui est adaptée à les distinguer ainsi.

...

"use" , in relation to a trade-mark, means any use that by section 4 is deemed to be a use in association with wares or services;

«emploi » ou «usage » À l’égard d’une marque de commerce, tout emploi qui, selon l’article 4, est réputé un emploi en liaison avec des marchandises ou services.

...

...

4. (1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession

4. (1) Une marque de commerce est réputée employée en liaison avec des marchandises si, lors du transfert de la

of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

propriété ou de la possession de ces marchandises, dans la pratique normale du commerce, elle est apposée sur les marchandises mêmes ou sur les colis dans lesquels ces marchandises sont distribuées, ou si elle est, de toute autre manière, liée aux marchandises à tel point qu'avis de liaison est alors donné à la personne à qui la propriété ou possession est transférée.

(2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

(2) Une marque de commerce est réputée employée en liaison avec des services si elle est employée ou montrée dans l'exécution ou l'annonce de ces services.

(3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.

(3) Une marque de commerce mise au Canada sur des marchandises ou sur les colis qui les contiennent est réputée, quand ces marchandises sont exportées du Canada, être employée dans ce pays en liaison avec ces marchandises.

[84] I conclude that the evidence does not show use in Canada by Matol in the Mark KARL JURAK had become distinctive at February 5, 1999 for the following reasons.

[85] First, the totality of the evidence is unclear if, when and to what extent the Mark KARL JURAK was associated with the Mark MATOL on Matol's premier product – its bottle of the liquid mineral supplement. Reference is made to Mr. Jurak's November 2002 affidavit, Exhibits GG-1 to GG-3 where in some cases the Matol bottle contains no reference to KARL JURAK and in other cases mentions his name as the inventor in the story of the product exhibited on the label at the back of the bottle. This latter depiction is also found in Mr. Bolduc's 2001 affidavit – Exhibit RB-1.

[86] These Exhibits are to be contrasted with Mr. Bolduc's 2004 affidavit – Exhibit RB-2 which the tribunal had before it, but preferred Mr. Jurak's Exhibits GG-1 to GG-3 to conclude that some of the Matol bottles marketed between 1994 and 2002 had no reference at all to Karl Jurak and ruled it was impossible to ascertain the percentage of sales associated with the Mark as opposed to the trade-mark Matol and this could not support Matol's burden to show distinctiveness. Mr. Bolduc's November 2007 affidavit did not address these findings or evidence at all and, in my view, this failure is fatal to its subsection 12(2) claim.

[87] The trade-mark situation, which prevailed in this case, is somewhat similar to that which was before Justice Rothstein in Molson/Labatt: the existence of a house mark here MATOL and a trade-mark "KARL JURAK". Even assuming, which is not the case, that KARL JURAK always appeared in conjunction with MATOL and both are the same size and appearance which is also not the case, the sales and publicity figures put forward by Matol would not prove that the Mark KARL JURAK is distinctive (see paragraph 79 of Labatt/Molson).

[88] Third, reliance on Mr. Bolduc's 2001 affidavit, which came to the Court via Mr. Bolduc's November 2007 affidavit, is problematic because that version, as pointed out by counsel for Holdings, is considerably at variance with the versions of his 2001 affidavit which were before the Examiner and before the tribunal. The discrepancies could not be explained by counsel for the applicant.

[89] I agree with counsel for Holdings that where on the back of the Matol bottle, the name Karl Jurak appears it did not function.

[90] According to Molson/Labatt, Matol's evidence had to show the trade-mark it was seeking to register had acquired a dominant secondary or distinctive meaning in relation to Matol's wares. In my opinion, after examining all of the evidence, this evidence is lacking with the result Matol has not made out a case for the benefit it claims under subsection 12(2) of the *Act*.

[91] I close by briefly addressing two issues raised by Matol. In his written memorandum, Matol argued that the tribunal erred when it ruled the registration of KARL JURAK as a trade-mark violated section 12(1)(a). He made his argument on the rarity of the word JURAK and the secondary meaning of that word. That argument is easily dismissed because the trade-mark applied for is not JURAK but KARL JURAK and it was on this basis the tribunal found a violation of section 12(1)(a), a finding which cannot be said to be unreasonable given the evidentiary record.

[92] Finally, there is no substance to the argument the tribunal's reasons were not adequate. These reasons were clearly expressed with both parties knowing exactly why the tribunal reached the conclusion it did and on what basis.

[93] For all of these reasons, this appeal is dismissed with costs.

JUDGMENT

THIS COURT ORDERS AND ADJUDGES that this appeal is dismissed with costs.

“François Lemieux”

Judge

FEDERAL COURT

NAMES OF COUNSEL AND SOLICITORS OF RECORD

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