

Federal Court



Cour fédérale

Date: 20130606

Docket: T-1570-12

Citation: 2013 FC 608

Ottawa, Ontario, June 6, 2013

PRESENT: The Honourable Madam Justice Snider

BETWEEN:

JTI MACDONALD TM CORP.

Applicant

and

**IMPERIAL TOBACCO PRODUCTS
LIMITED**

Respondent

REASONS FOR JUDGMENT AND JUDGMENT

I. Background

[1] On September 19, 2006, Imperial Tobacco Products Limited (Imperial or the Respondent) filed two trade-mark applications with the Canadian Intellectual Property Office (CIPO). The two applications are identified by their application numbers, 1,317,127 (the '127 Application) and 1,317,128 (the '128 Application).

[2] Both applications claim the following:

[t]he trade-mark consists of the colour orange applied to the visible surface of the particular packaging as shown in the attached drawing. The drawing has been lined for colour. (Applicant Record [AR], Vol III, Tabs 34-35, which also provides the attached drawing of the trade-marks.)

[3] The applications state that the respective trade-marks have been used in association with the relevant wares, “manufactured tobacco products, namely cigarettes”, since April 10, 2006.

[4] JTI-Macdonald TM Corp (JTI or the Applicant) filed statements of opposition with respect to both trade-marks in 2007. Imperial responded to these grounds of opposition. Both parties filed evidence and made arguments before the Trade-marks Opposition Board (the Board). In two decisions (the '127 Decision and the '128 Decision; collectively, the Decisions) dated May 31, 2012, the Board rejected all of JTI’s grounds of opposition.

[5] As permitted by s. 56 of the *Trade-marks Act*, RSC 1985, c T-13 [*Trade-marks Act* or the Act], JTI appeals the Board’s Decisions in the present proceeding. Rule 300(d) of the *Federal Courts Rules*, SOR/98-106 [the Rules] directs that appeals under the Act are to be brought by way of and considered as “applications” under the Rules.

[6] The first problem with this matter is that JTI appeals two decisions without leave of the Court. Rule 302 mandates that, unless the Court orders otherwise, an application “shall be limited to a single order in respect of which relief is sought” [emphasis added]. In this case, JTI has brought its appeal in respect of two decisions, without seeking leave of the Court. At the hearing of the appeals, I raised this issue with counsel. In light of the close relationship between

the two Decisions and the lack of objection by the Respondent's counsel, I permitted the two decisions to be dealt with in one application.

II. Issues

[7] The Applicant raises three issues in this appeal:

- (1) Did the Board err in finding that the '128 Design is not a distinguishing guise?
- (2) Did the Board err in finding that the '127 Design meets the requirements of s. 30(h) of the Act?
- (3) Did the Board err in finding that both the '127 and '128 Designs are distinctive?

Decisions under Review

[8] It is helpful to review the findings of the Board relevant to the issues now before me.

A. *The '127 Decision and s. 30(h) of the Act*

[9] The Board concluded that the '127 Application met the requirements of s. 30 of the *Trade-marks Act* ('127 Decision at paras 27-40). Of specific relevance to the appeal, the Board found that s. 28 of the *Trade-marks Regulations*, SOR/96-195 [*Trade-marks Regulations* or the

Regulations] does not require the specification of a shade of colour. The Board also concluded that the application met the relevant requirements for an accurate drawing and representation of the Design under s. 30(h). The December 6, 2000 Practice Notice of the Canadian Intellectual Property Office (the Practice Notice) states that two-dimensional marks should be depicted in isolation of three-dimensional objects upon which they are applied. The drawing portrays the colour orange applied on the surface of the packaging using dotted lines, clearly outlining the limits of the mark. Since Imperial is claiming the colour orange and not the packaging as a trade-mark, the drawing sufficiently depicts the mark for which Imperial applied.

B. *The '128 Decision and Distinguishing Guise*

[10] JTI was unsuccessful in opposing the '128 Design on the basis that it was it was a distinguishing guise and should not be registered as a trade-mark ('128 Decision at paras 33-36). The Board referred to Federal Court decisions explaining the difference between a distinguishing guise and an ordinary trade-mark. The Board concluded that one or more colours applied to the whole of a visible surface of an object is a trade-mark, rather than a distinguishing guise.

C. *The Decisions and Distinctiveness*

[11] With respect to both Decisions, the Board concluded that JTI did not adequately support its grounds of opposition with respect to distinctiveness. To establish its initial evidential burden, JTI had to provide evidence that orange packages were common in the tobacco trade as of the material date ('127 Decision at paras 26, 44; '128 Decision at paras 25, 38). The Board was

prepared to consider tobacco products other than cigarettes. However, the Board rejected some of JTI's evidence, since it was not from the relevant period. Also, much of JTI's evidence related to "peach" rather than "orange" products. The remaining products lacked sales data or had very low sales figures ('127 Decision at paras 45-51; '128 Decision at paras 39-45). The Board thereby concluded that JTI did not meet its burden and this ground of opposition could not succeed.

IV. Standard of review

[12] A preliminary step in the analysis of the issues should be a determination of the applicable standard of review. The standard of review depends, to some extent, on the issue and the materiality of evidence that has been put before me in this application.

A. Distinguishing Guise and Compliance with Section 30(h) of the Act

[13] In my view, a reasonableness standard of review is appropriate for each of these issues of distinguishing guise and s. 30(h) of the Act.

[14] The appropriate standard of review depends on the nature of the question before the Board. In this case, the Board was required to determine whether the '128 Design was a distinguishing guise and whether the '127 Design met the requirements of s. 30(h) of the Act. These are issues of mixed fact and law and thus reviewable on a standard of reasonableness.

[15] Reasonableness is the applicable standard to review a finding of compliance with s. 30(h) of the Act (*Novopharm Ltd v Astrazeneca AB*, 2001 FCT 645 at paras 28-30, 32-33, 13 CPR (4th) 61 [*Novopharm*], rev'd on other grounds, 2002 FCA 387, 21 CPR (4th) 289). The adequacy of the drawing and verbal description of a trade-mark application is within the Board's expertise, relating to practice and procedure of the Registrar of Trade-marks.

[16] Similarly, whether the relevant designs are distinguishing guises is an issue of mixed fact and law falling within the expertise of the Board. This inquiry relates to the interpretation of the drawing and verbal description of the proposed mark, which falls within the expertise of the Board (*Novopharm*, above at para 32).

B. *Distinctiveness*

[17] In this case, JTI presented additional evidence to the Court with respect to the issue of distinctiveness. The applicable standard of review of this issue will depend on the nature of that new evidence.

[18] On appeal from a decision of the Board, an applicant may present additional evidence to the Court. When an applicant supplements the record in this manner, the standard of review will depend on the materiality of any of the "new" evidence. Where such evidence would have "materially affected" the Board's finding of fact or his exercise of discretion, the Court must reach its "own conclusion as to the correctness of the Registrar's decision" (*Molson Breweries v John Labatt Ltd*, [2000] 3 FC 145 at para 51, 5 CPR (4th) 180 (CA)). However, if the new

evidence is merely repetitive of the evidence adduced before the Board, reasonableness is the appropriate standard (*Telus Corp v Orange Personal Communications Services Ltd*, 2005 FC 590 at para 33, 39 CPR (4th) 389).

[19] The new evidence filed by JTI is an affidavit of Richard Sue, sworn September 19, 2012 (Further Sue Affidavit). This affidavit includes photographs and sales data for four tobacco products: Skoal Long Cut (Peach); Cohiba Club; Phillies Blunt (Peach); and Prime Time Plus (Peach).

[20] The Further Sue Affidavit merely provides additional examples of products rejected by the Board in its analysis of the distinctiveness ground of opposition:

- Three of the four additional products presented by Mr. Sue include the word “peach” on the packaging. The Board found that such inclusion of the word “peach” demonstrated that peach and not orange was the colour that consumers would associate with the ware ('127 Decision at para 48; '128 Decision at para 42). The new evidence of these three products is therefore not significant, and would not have materially affected the Board’s findings.
- Cohiba Club, the one product not associated with the word “peach”, has very low sales figures. The Board rejected evidence relating to two different products whose sales figures were between 7,000 and 40,000 packages at the relevant time ('127 Decision at para 51; '128 Decision at para 43). The sales figures for Cohiba

Club fall at the low end of this range, especially since those figures were expressed not as number of packages, but as number of cigarritos. Therefore, this new evidence would not have materially affected the Board's findings.

[21] The usual situation in these appeals is that additional evidence is introduced by the applicant only. In this case, I also have evidence from the Respondent in the form of an affidavit sworn by Gilbert Janssens on October 19, 2012 (Janssens Affidavit). I agree with the Applicant that there is no principled reason why additional evidence filed by a respondent should not be considered on the question of whether there is additional material evidence. However, in my view, the evidence disclosed by the Janssens affidavit does not assist JTI.

[22] In his affidavit, Mr. Janssens discusses the demographic differences between individuals who smoke cigarettes as compared to individuals who smoke other tobacco products, such as cigars and cigarillos. These observations are based on survey data from 2009-2012.

[23] The Janssens Affidavit does not justify a departure from the reasonableness standard. This affidavit simply provides another reason for rejecting the evidence of orange products submitted by JTI and reinforces the Board's overall conclusion that JTI did not meet its initial burden (*9013-0501 Québec Inc v Bluedot Jeanswear Co*, 2004 FC 197 at para 10, 31 CPR (4th) 361). Nonetheless, even if this evidence materially undermines the Board's factual finding that the entire tobacco market is relevant, the evidence relates to the 2009-2012 period. Although Mr. Janssens states that the survey results may be extrapolated back to the relevant time, this assertion is not supported by any analysis or reasoning (Janssens Affidavit at paras 5-6). New

evidence relating to a period after the relevant date is not sufficiently significant to warrant the application of a correctness standard of review (*Hawke & Company Outfitters LLC v Retail Royalty Co*, 2012 FC 1539 at para 31, [2012] FCJ No 1622 [*Hawke*]).

[24] It follows that a reasonableness standard is applicable to all of the issues before me. As set out in *Dunsmuir v New Brunswick*, 2008 SCC 9 at para 47, [2008] 1 SCR 190 [*Dunsmuir*], under this deferential standard, the Court should focus on “whether the decision falls within a range of possible, acceptable outcomes which are defensible in respect of the facts and law” and whether the decision displays “justification, transparency and intelligibility”.

[25] With this determination of the appropriate standard of review, I turn to the issues raised in these appeals.

V. '128 Design and Distinguishing Guise

[26] A distinguishing guise is defined in s. 2 of the Act:

“distinguishing guise” means	« signe distinctif » Selon le cas :
(a) a shaping of wares or their containers, or	a) façonnement de marchandises ou de leurs contenants;
(b) a mode of wrapping or packaging wares the appearance of which is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured,	b) mode d’envelopper ou emballer des marchandises, dont la présentation est employée par une personne afin de distinguer, ou de façon à distinguer, les marchandises fabriquées, vendues, données à bail ou louées ou les services

sold, leased, hired or performed by others;

loués ou exécutés, par elle, des marchandises fabriquées, vendues, données à bail ou louées ou des services loués ou exécutés, par d'autres.

[27] Distinguishing guises are subject to a different regulatory treatment under the provisions of the Act. In this case, treatment as a distinguishing guise would favour JTI's position.

[28] Under the heading "Colour", the Practice Notice provides that:

Trade-marks that contain colour as an element are considered to be distinguishing guises if the colour forms part of a mode of wrapping or packaging wares the appearance of which is used for the purpose of distinguishing or so as to distinguish one person's wares or services from those of others.

Quand une couleur fait partie des composantes d'une marque de commerce, on considère qu'il s'agit d'un signe distinctif si la couleur en question fait partie intégrante du mode d'envelopper ou emballer dont l'apparence est employée afin de distinguer, ou de façon à distinguer, les marchandises ou les services d'une personne de ceux des autres.

[29] The Practice Notice continues on to provide a number of exceptions to this general rule, that are registrable as trade-marks rather than distinguishing guises. This part of the Practice Notice is derived from the decision in *Smith Kline & French Canada Ltd v Canada (Registrar of Trade Marks)*, [1987] 2 FC 628, 14 CPR (3d) 432 (TD) [*Smith Kline*]. *Smith, Kline*, above at 631-632 states that a distinguishing guise must be a separate covering or container for wares.

[30] JTI advances three reasons why the Board unreasonably concluded that the '128 Design was not a distinguishing guise:

1. The '128 Design should be characterized as a mode of wrapping or packaging the wares and the Practice Notice demonstrates that it is, therefore, a distinguishing guise. The Board erred by relying on case law in which trade-mark was applied to the wares rather than applied to the packaging.
2. The Board's reasoning contradicts the Practice Notice. The Practice Notice explains that, when the colour forms part of the packaging, the design is a distinguishing guise.
3. The registrations provided to the Board by Imperial, by way of the affidavit of Gay Owens sworn July 29, 2009 (the Owens Affidavit), did not provide evidence that such a trade-mark is registrable; only two registrations referred to in the Owens Affidavit claim a mark related to "packaging" and not all of these registrations occurred after the Practice Notice.

[31] It is important to begin the analysis with an understanding of the trade-mark for which the Applicant actually applied (*Simpson Strong-Tie Co v Peak Innovations Inc*, 2009 FC 1200 at para 49, 79 CPR (4th) 79 [*Simpson*]; aff'd 2010 FCA 277, 90 CPR (4th) 399). The '128 Application claims "the colour orange applied to the visible surface of the particular packaging". In my view, it is reasonable to conclude that Imperial claims the colour orange in association

with the relevant wares. A colour alone may constitute a valid trade-mark (*Simpson*, above at para 65). The Board reasonably viewed the reference to the packaging as defining the scope of the application of the trade-mark rather than part of the trade-mark itself.

[32] The Board's '128 Decision is consistent with the Practice Notice. The Practice Notice states that, "a trade-mark consisting only of one or more colours applied to the whole of a visible surface of a particular three-dimensional object", is not considered to be a distinguishing guise and is registrable as a trade-mark "unless [it forms] part of a mode of wrapping or packaging wares" (emphasis added). JTI alleges that the '128 Design cannot fall within this exception, since the colour is not applied to the wares but is applied to the packaging. However, I disagree. The drafters of the Practice Notice could have easily used the words "ware" or "wares" instead of the word "object" but they chose not to do so. In my opinion, the more general wording employed in the Practice Notice supports Imperial's position that colour applied to a "three-dimensional object" could reasonably appear on the packaging of the wares and does not have to be applied directly to the wares themselves.

[33] Further, allowing the "three-dimensional object" to be the packaging does not unreasonably render part of the Practice Notice meaningless. The Practice Notice states:

Trade-marks that contain colour as an element are considered to be distinguishing guises if the colour forms part of the mode of wrapping or packaging wares the appearance of which is used for the purpose of distinguishing or so as to distinguish one person's wares or services from those of others.

[Emphasis added.]

[34] In the present case, the colour orange is not “an element” that “forms part” of the mark for which Imperial applied – the colour is the mark. This case is similar to *Simpson*, in which the opponent argued that the green colour formed part of the powder coating of the wares and the trade-mark application was a “mode of wrapping or packaging wares”. I rejected this argument, finding that the trade-mark at issue was the green colour, and not the powder coating (*Simpson*, above at para 49).

[35] The exceptions outlined in the Practice Notice underscore the distinction between colour claimed alone, which is a trade-mark, and colour claimed with other three-dimensional elements, which may be a distinguishing guise. The exceptions outlined in the Practice Notice are registrable as trade-marks, “consisting only of one or more colours”, possibly combined with other two dimensional design elements, as applied to a three-dimensional object. These trade-marks may be applied to the packaging. However, since they are claimed independent from the packaging, these trade-marks cannot be a separate covering or container for the wares and, therefore, cannot be distinguishing guises as defined in *Smith Kline*.

[36] *Novopharm Ltd v Hoffman-La Roche Ltd* (2006), 55 CPR (4th) 226, [2006] TMOB No 66 [*Hoffman-La Roche*], cited by JTI, is distinguishable. In that case, the Board characterized the application as claiming an “ingestible pharmaceutical capsule” and not merely a colour (*Hoffman-LaRoche*, above at 234-235).

[37] Lastly, existing trade-mark applications support the Board’s decision. The Federal Court recognizes that third party trade-mark applications may be persuasive in the context of a

trade-mark opposition (*RJ Reynolds Tobacco Co v Rothmans, Benson & Hedges Inc* (1993), 47 CPR (3d) 439 at 443, 62 FTR 92 [*RJ Reynolds*]). In this case, Imperial relies on a trade-mark entitled “Package Design”, claiming “the colour yellow as applied to the whole of the visible surface of the particular object, namely box, shown in the attached drawing”. Since the relevant wares in this application were vehicle parts, the box is analogous to the cigarette box in the present case. This application was approved in 2007, after the publication of the Practice Notice in 2000. Such a trade-mark is persuasive evidence that supports the Board’s decision.

[38] Therefore, the Board reasonably found that the '128 Design should not have been registered as a distinguishing guise.

VI. '127 Design and s. 30(h) of the Act

[39] The trade-marks for which Imperial applied must meet the requirements of paragraph 30(h) of the Act, with respect to the depiction of trade-marks:

30. An applicant for the registration of a trade-mark shall file with the Registrar an application containing

...

(h) unless the application is for the registration only of a word or words not depicted in a special form, a drawing of the trade-mark and such number of accurate representations of the trade-mark as may be prescribed; . . .

30. Quiconque sollicite l’enregistrement d’une marque de commerce produit au bureau du registraire une demande renfermant :

...

h) sauf si la demande ne vise que l’enregistrement d’un mot ou de mots non décrits en une forme spéciale, un dessin de la marque de commerce, ainsi que le nombre, qui peut être prescrit, de représentations exactes de cette marque;

[40] Section 30(h) of the Act requires that an application for a trade-mark include a drawing of that trade-mark and any prescribed representations of the mark. A trade-mark is a statutory monopoly and consequently, its scope must be described with precision (*Apotex Inc v Searle Canada Inc* (2000), 6 CPR (4th) 26 at para 7, 187 FTR 136 [*Apotex*]). This drawing must be a meaningful representation of the design and must allow a reader to determine the limits of the trade-mark.

[41] Section 28 of the Regulations clarifies the requirements in s. 30(h) of the Act with respect to colour. Where the description of a colour is not clear, an applicant must file a drawing “lined for colour” in accordance with a schematic of colour identifications (Regulations, s. 28(2)).

[42] The Applicant argues that Board erred in finding that the '127 Design complies with s. 30(h) of the Act. The Applicant asserts that the '127 Design forms part of the packaging of the wares and the Board’s reliance on the Practice Notice is misplaced. The Applicant makes the following assertions:

1. The '127 Design does not clearly demonstrate the limits of the packaging. The two-dimensional representation renders it unclear whether the package is a paper or foil wrapper or a container. Further, if the package is a container, the shape and size of the container are not displayed in the drawing.
2. The '127 Design does not display any other design elements or adornments that would be included on the packaging.

3. The colour of the '127 Design is not accurately represented. The evidence filed by Imperial demonstrates that a consistent colour orange, as represented in the drawing, was not used; instead, the colour fades from darker to lighter. Inaccurate specification of the colour of a trade-mark demonstrates failure to comply with s. 30(h).

[43] I do not agree. In my view, the Board reasonably concluded that the requirements of s. 30(h) were met.

[44] Two of JTI's arguments inaccurately presuppose that the trade-mark for which Imperial applied includes the packaging. JTI argues that the '127 Design does not clearly demonstrate the limits of the packaging and does not display the design elements or adornments that would be included on the packaging. However, the Board reasonably viewed the trade-mark application as one for colour applied to the packaging, and not as an application for the packaging itself. Therefore, these two arguments lack merit.

[45] Furthermore, the reasonableness of the Board's decision is supported by the Practice Notice, Federal Court jurisprudence and other trade-mark registrations. The dimensions of the object to which a colour is to be applied do not need to be set out, since colour alone is an acceptable trade-mark (*Simpson*, above at paras 64-65). The trade-mark application complies with the Practice Notice, which requires that applications for two-dimensional marks show the mark in isolation. Lastly, similar third party trade-mark registrations are persuasive evidence that the application before the Court may be registrable (*RJ Reynolds*, above at 443). Imperial points

to one trade-mark registration associated with wares identified as “ice cream toppings” and “peanut butter”; the trade-mark is described as the colour orange applied to the visible surface of packaging. This trade-mark was accepted in 2003, after the publication of the Practice Notice.

[46] JTI’s remaining argument with respect to the colour of the '127 Design is also flawed. In my view, it was open to the Board to find that Imperial’s drawing lined for colour in accordance with the applicable regulations reasonably satisfied the requirements of s. 30(h). The minor discrepancy with respect to orange shading is not a significant inaccuracy that would warrant the intervention of the Court.

[47] The representation of the trade-mark must be meaningful in the context of its written description (*Apotex*, above at para 7). Where the trade-mark application provides a description or diagram that is inaccurate or misleading, it may not comply with s. 30(h) (*Simpson*, above at para 66); for example, where the description refers to the colour pink, while the drawing is hatched in the colour blue (*Novopharm Ltd v Bayer Inc*, [2000] 2 FC 553 at paras 38-54, 3 CPR (4th) 305 (TD)).

[48] In the present case, a drawing lined for colour was included with the application, in accordance with s. 28 of the *Trade-marks Regulations*. Where a description of the colour would not be sufficiently clear, a drawing lined for colour in accordance with an appended colour chart should be included. For the colour orange, only one sample drawing is provided in the Regulations.

[49] Board case law as well as s. 28 of the Regulations supports Imperial's position that specification of a particular hue or shade of a colour in a trade-mark application is not necessary. Differing shades must be represented by the same drawing lined for colour in accordance with s. 28 of the Regulations; for example, the required drawing for red and pink is the same, as is the required drawing for violet and purple. This supports Imperial's position that the shade or hue of a colour does not need to be specified in the context of a trade-mark application. As well, in *Novopharm Ltd v Pfizer Products Inc*, [2009] TMOB No 180 at para 26, it was not necessary to provide the hue or shade beyond a description stating that "the colour blue" was claimed. This is consistent with the Regulations, which specify one colour sample for the colour blue, with no options that would allow an applicant to denote a particular shade.

[50] *Hoffman-La Roche*, cited by JTI, is distinguishable, since there were further problems with the description of the colour that are not raised in the present case. In *Hoffman-La Roche*, it was unclear from the description whether the colour claimed was applied to the material comprising the capsule shell of the relevant wares or whether the colour arose from this material (*Hoffman-La Roche*, above at 237). As well, differing descriptions of the colour in the trade-mark application ("blue") as compared to the product monograph ("dark-blue") created further uncertainty (*Hoffman-La Roche*, above at 237). Finally, the applicant appeared to rely on the inclusion of a specimen of the capsule, which could not form part of the application (*Hoffman-La Roche*, above at 237). Therefore, *Hoffman-La Roche* is not determinative in the present case.

[51] In sum, the finding of the Board that JTI did not meet its initial burden with respect to compliance with s. 30(h) is reasonable.

VII. Distinctiveness

[52] A fundamental requirement of a trade-mark is that it must be “distinctive”. According to s. 2 of the Act, a distinctive trade-mark is “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”. Sections 12(d) and 16 explain that a trade-mark is not registrable if it is confusing.

[53] The Applicant asserts that the Board erred in finding that it failed to meet its initial evidentiary burden to support its distinctiveness grounds of opposition.

[54] The relevant date to evaluate distinctiveness and confusion is the date of filing of the opposition (*Simpson*, above at para 21; *E & J Gallo Winery v Andres Wines Ltd*, [1976] 2 FC 3 at 7, 25 CPR (2d) 126). In this case, the relevant dates are August 14, 2007 for the '128 Design and October 1, 2007 for the '127 Design.

[55] In a trade-mark opposition, there is an initial burden on the party bringing the opposition to adduce a *prima facie* case that each ground of opposition is sustainable (*Simpson*, above at para 29). If a *prima facie* case is demonstrated by the opponent, the applicant for the trade-mark must adduce sufficient evidence to rebut this case.

[56] JTI provided voluminous affidavit evidence with respect to other products and asserts that this evidence establishes that it met its initial evidentiary burden. However, there are three main problems with this evidence which demonstrate that the Board reasonably found that JTI did not meet its initial evidentiary burden.

[57] First, some of JTI's evidence is irrelevant based on its date. Evidence must relate to the time period before the date of the filing of the opposition to be probative (*Simpson*, above at para 26). However, the MORE cigarette product was not launched until October 2007, after the filing of both statements of opposition. The cross-examination of Mr. Bussey, a witness for Imperial, also states that NUMBER 7 cigarettes were first sold in Canada in 2008. JTI does not identify any contrary evidence that establishes an earlier date of release of the NUMBER 7 product.

[58] Second, much of JTI's evidence relates to products displaying the word "peach" on the packaging. In my view, it was open to the Board to conclude that these products will be associated with the colour peach, rather than the colour orange. This is a matter of weighing the evidence relating to an issue that lies at the heart of the Board's expertise. JTI does not address the irrelevance of the peach products. Therefore, deference is warranted with respect to this finding of fact.

[59] Third, a number of products advanced by JTI either lack sales data or have very low sales figures. The affidavits of Mr. Tanton, Mr. Bower and Mr. Fortin describe some non-peach products, including Juicy Jay Cigarette Paper (Orange), Juicy Blunts Orange Overload, Roll-N-Save Cigarette Tobacco Pouch and Smoking Rolling Paper (Orange). However, JTI provided no

specific sales figures for these products. Further, the two non-peach products advanced with sales numbers in Mr. Sue's initial affidavit had low sales figures. Therefore, the Board's finding that JTI did not meet its burden is reasonable in light of the failure to provide sales figures for some non-peach products and the low sales figures for the remaining non-peach products.

[60] In sum, it was reasonable for the Board to find that JTI did not meet its initial evidentiary burden in establishing distinctiveness as a ground of opposition.

VIII. Conclusion

[61] In conclusion, my key findings are:

1. JTI has not submitted any additional evidence to this Court that would have "materially affected" the Board's finding of fact or his exercise of discretion;
2. A standard of review of reasonableness is applicable to the Decisions and, in particular, with respect to all of the questions raised by JTI in its appeals; and
3. The Board's conclusions that (a) the '128 Design was not a "distinguishing guise"; (b) the '127 Design met the requirements of s. 30(h) of the Act; and (c) both designs were "distinctive", all fall within a range of possible, acceptable outcomes which are defensible in respect of the facts and law.

4. As a result the appeals will be dismissed with costs to the Respondent.

JUDGMENT

THIS COURT ORDERS AND ADJUDGES that:

1. The appeals of the '127 Decision and the '128 Decision are dismissed, with costs to the Respondent.

“Judith A. Snider”

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1570-12

STYLE OF CAUSE: JTI-MACDONALD TM CORP. v.
IMPERIAL TOBACCO PRODUCTS LIMITED

PLACE OF HEARING: TORONTO, ONTARIO

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**REASONS FOR JUDGMENT
AND JUDGMENT:** SNIDER J.

DATED: JUNE 6, 2013

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