



OWNER OF CORONA BEER SUCCEEDS IN OPPOSING ATTEMPT TO REGISTER CORONA FOR COOLERS BY QUESTIONING APPLICANT'S CONDUCT

BARRY GAMACHE^{*}
LEGER ROBIC RICHARD, LLP
LAWYERS, PATENT & TRADEMARK AGENTS

In a case that questioned an applicant's pattern of adopting well-known trade-marks, the manufacturer of CORONA beer succeeded in opposing an attempt by an individual that it described as a "predatory filer" to register the trade-mark CORONA in association with various types of drinks including coolers containing distilled spirits (*Cerveceria Modelo, S.A. de C.V. v. Marcon*, a decision by the Registrar of Trade-marks regarding application 1,168,019, C.R. Folz, August 12, 2008).

On February 18, 2003, Robert Victor Marcon (hereafter: "Marcon" or the "applicant"), an electrician since 1984, filed an application to register the trade-mark CORONA (hereafter: the "trade-mark") on the basis of proposed use of such trade-mark in Canada in association with various types of drinks including bottled water, fruit juices, sports drinks and coolers containing distilled spirits. This application successfully passed the examination stage at the Trade-marks Office and was published for opposition purposes. On March 8, 2004, Cerveceria Modelo, S.A. de C.V. (hereafter: "Cerveceria Modelo" or the "opponent"), the owner of the trade-mark CORONA for beer, opposed the CORONA application filed by Marcon.

In its statement of opposition, the opponent alleged that Marcon did not have the belief that he is entitled to use the CORONA trade-mark given that in and about the time he filed the application, he also filed a number of other applications for trade-marks which are well-known both in Canada and worldwide and are the subject of existing trade-mark registrations in Canada. Moreover, the opponent also alleged that Marcon's trade-mark is not registrable due to likelihood of confusion with the opponent's CORONA mark registered under number TMA 598,045 for beer.

The opponent's evidence established that on the same date of filing of its application, namely February 18, 2003, Marcon also applied to register in Canada the following marks based on proposed use: ABSOLUT (Application No. 1,168,026), HEINEKEN

© CIPS, 2008.

^{*} Barry Gamache is a member of LEGER ROBIC RICHARD, LLP, a multidisciplinary firm of lawyers, patent and trademark agents. Published in the October 2008 issue of the WIPR. Publication 142.217.

LEGER ROBIC RICHARD, L.L.P.
1001 Square-Victoria - Bloc E - 8th floor
Montreal (Quebec) Canada H2Z 2B7
Tel.: (514) 987-6242 Fax: (514) 845-7874
www.robic.ca info@robic.ca

(1,168,025), FINLANDIA (1,168,024), BEEFEATER (1,168,023), CANADIAN CLUB (1,168,022), COORS (1,168,021), BUDWEISER (1,168,020) JACK DANIEL'S (1,168,016) and DOM PERIGNON (1,168,014). The opponent's evidence also revealed that Marcon owned applications for the following trade-marks: SENSODYNE (1,186,813), TIM HORTONS (1,186,804), SOUTHERN COMFORT (1,168,272), BAYER (1,201,366), CHANEL (1,202,435), EVIAN (1,188,155), L'OREAL PARIS (1,202,383), NESCAFE (1,201,480) and NESTLE (1,201,360).

Finally, the opponent submitted proof its CORONA beer was sold at various outlets operated by the Liquor Control Board of Ontario where wares identified as "coolers containing distilled spirits" are also sold.

As part of his own evidence, Marcon filed documents purporting to demonstrate "the sincerity of the Applicant's desire to use the marks that he has applied for in Canadian commerce". Such document included his inactive trade-mark applications for the trade-marks NUTRADENT and ROCKLIN and his patents for dental floss and a fuel tank product.

The opponent's ground of opposition regarding Marcon's alleged lack of belief that he was entitled to use the CORONA mark was based on section 30(i) of the *Trade-marks Act* R.S.C. 1985, c. T-13 (hereafter: the "Act") that requires an applicant to indicate as part of its application that it is satisfied that it is entitled to use the trade-mark in Canada in association with the wares and/or services mentioned in its application. In *Canadian Trade-marks Act – Annotated Robic Leger*, rev. ed. (Scarborough, Ont.: Carswell) (looseleaf), H.G. Richard describes the requirements of section 30(i) in the following terms:

"The final consideration before proceeding to the actual search of the indexes and examination of the mark itself, is whether or not the applicant is satisfied "that he is entitled to use the mark in Canada in association with the wares or services described in the application". This can be looked at as a type of contract between the applicant and the public, establishing that all information and supporting evidence, including revisions or additions of same, have been submitted **in good faith**, and that the application as it stands, is approved by the applicant. Assuming that everything is in order, the applicant or his agent affixes his signature. The examiner can then proceed with the examination of the mark and the search of the indexes. (emphasis added)"

After reviewing the evidence, the Registrar, represented by hearing officer Cindy R. Folz, allowed the section 30(i) ground of opposition since, in her view, the fact that Marcon had applied for 18 other arguably well-known trade-marks for related wares raised suspicion about his good faith in submitting his application for the trade-mark CORONA. In her reasons, Ms. Folz questioned how any reasonable person would be

satisfied that Marcon was entitled to file trade-mark applications for over 18 arguably well-known marks for related wares and/or services.

It was therefore Marcon's responsibility to show that he was satisfied that he was entitled to monopolize the applied for mark CORONA for his various named beverages throughout Canada. This, he did not do. In fact, the evidence filed by Marcon was not even seen as addressing that very important issue. Ms. Folz therefore allowed this ground of opposition and refused Marcon's application.

On the issue of likelihood of confusion, Ms. Folz considered all the circumstances mandated by section 6(5) of the Act. She wrote that both trade-marks were comprised of the word "Corona" and although the opponent's beer differed from the applicant's "coolers containing distilled spirits", they were all alcoholic beverages. Moreover, Ms. Folz noted the opponent's extensive reputation for its CORONA mark in association with beer.

In the present case where confusion was raised as an issue, Ms. Folz applied the test of first impression in the mind of a casual consumer somewhat in a hurry who sees CORONA on the applicant's beverages or bottling facility, at a time when he or she has no more than an imperfect recollection of the opponent's mark and does not pause to give the matter any detailed consideration or scrutiny (see *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée*, [2006] 1 R.C.S. 824). Applying this test, Ms. Folz concluded that the casual consumer would erroneously conclude that Marcon's coolers containing distilled spirits sold in association with the trade-mark CORONA would somehow be associated with the opponent.

This decision is interesting in that it provided a rare occasion for the Registrar to consider an applicant's intent when attempting to register a trade-mark. While it has been said in the past that *mens rea* is usually not relevant in assessing likelihood of confusion (*Toyota Jidosha Kabushiki Kaisha v. Lexus Foods Inc.*, [2001] 2 F.C. 15 (F.C.A.) at paragraph 11), an opponent can successfully challenge an applicant's entitlement to use a trade-mark by referring to a pattern of conduct, such as the one here, where the applicant multiplied attempts to register other well-known trade-marks. This ground of opposition is however distinct from the issue of confusion.



