

Taken Too Far? Clarifying a Word Mark Owner's Right to Use the Trademark In any Form

A recent [decision](#) of the Federal Court of Appeal has further clarified the law concerning the use of a design element in a trademark.

The Facts

The applicant filed an application to register a design mark for use in association with apple-based alcoholic and non-alcoholic beverages and other apple products. The design is shown below:



The application was opposed by the owner of the trademark PINNACLES registered for use in association with the sale of (grape) wine.

The Opposition

The matter proceeded before a hearing officer of the Trademarks Opposition Board. The Board concluded that confusion was unlikely to occur, taking into account the language of subsection 6(2) of the *Trademarks Act*, the factors enumerated in subsection 6(5), and relevant jurisprudence, including the well-known *Masterpiece* case. The hearing officer said that the inherent distinctiveness of both of the marks was

relatively weak, although the applicant's design mark was more distinctive than the opponent's mark. While there was a fair degree of resemblance between the respective marks, the hearing officer decided that the visual elements of the two marks was sufficiently different and the marks suggested different ideas. As a result, the opposition was dismissed.

The Federal Court

The opponent appealed to the Federal Court. The judge found that the Board had erred in law as sufficient consideration was not given to the potential use that the opponent might have made of its registered word mark. The judge took the position based on the *Masterpiece* case that when a word mark was involved, the trademark owner should be permitted to use the word in any size or any style of lettering, colour or design. This approach gives full effect to the trademark registration according to its terms and reflects the entire scope of the rights granted to the trademark owner. As a result, the appeal was allowed and the application was dismissed.

The Federal Court of Appeal

The applicant appealed to the Federal Court of Appeal. The court agreed with the applicant that the full scope of the rights granted in association with the opponent's registered trademark would not permit it to use the distinctive graphic elements – the apple and snowflake design of the applicant's mark – that the Board had identified as being central to the distinctiveness of the applicant's mark. This distinction was also consistent with the applicant's goods which were apple-based. In addition the court noted that design elements were also protected by copyright.

The court agreed with the Board's finding that neither of the marks had a high degree of distinctiveness as the word "PINNACLE", the most notable element of each of the marks, was a commonly used term. Design and context must play a greater role in distinguishing the opponent's mark from the numerous other registered trademarks in Canada that include the word "PINNACLE". As a result, the appeal was allowed, the decision of the Federal Court set aside and the application allowed.

Comment

For those who read these comments, the writer certainly had concerns with respect to the trial [decision](#) in this case and [decision](#) in the *Pizzaio* case which seemed to give too much weight to a word mark owner's right to use the mark in any form.

We recently discussed another recent [decision](#) of the Federal Court of Appeal in which the court appeared to attempt to reign in the overly broad application of the principle from the *Masterpiece*, case. In the decision at hand the Federal Court of Appeal further clarifies the application of the principle by refusing to extend it to distinctive graphic elements.

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These comments are of a general nature and not intended to provide legal advice as individual situations will differ and should be discussed with a lawyer.