Federal Court



Cour fédérale

Date: 20241106

Docket: T-2544-22

Citation: 2024 FC 1770

Ottawa, Ontario, November 6, 2024

PRESENT: The Honourable Justice Fuhrer

BETWEEN:

BLAZE PIZZA, LLC

Applicant

and

CARBONE RESTAURANT GROUP LTD.

Respondent

JUDGMENT AND REASONS

I. Overview

[1] Carbone Restaurant Group Ltd. applied to register the trademark FAST FIRED BY CARBONE & Design. Blaze Pizza, LLC opposed the trademark application, with reference to its own registered trademark FAST FIRE'D BLAZE PIZZA & Design and variations. The Trademarks Opposition Board [TMOB] rejected the opposition [Decision].

- [2] On appeal to this Court, Blaze seeks to have the Decision reversed and the trademark application refused.
- [3] In support of its appeal, Blaze filed new evidence that, as I will explain, is material and gives rise to a *de novo* or correctness review of the Decision in respect of the entitlement and distinctiveness grounds. Having considered the matter anew, I find that Blaze succeeds in its opposition on these grounds.
- [4] For the more detailed reasons below, the Decision will be set aside and the trademark application will be refused.
- II. Additional Background: The Application, the Opposition, and the Decision
- A. The Application
- [5] Carbone's predecessor in title, Carbone Coal Fired Pizza Inc., filed trademark application number 1866711 [Application] for the trademark FAST FIRED BY CARBONE & Design [Mark] on November 7, 2017 for proposed use in association with restaurant services, take-out and delivery services and catering services. Unless stated otherwise in these reasons, references to "Carbone" include its predecessor. A representation of the Mark is reproduced below.



- [6] The Application was advertised in the *Trademarks Journal* on August 29, 2018 for opposition purposes.
- [7] The Mark was assigned from Carbone Coal Fired Pizza Inc. to Carbone Restaurant Group Ltd. by way of written assignment dated May 12, 2021 and recorded with the Canadian Intellectual Property Office [CIPO] on June 25, 2021.

B. Summary of Opposition Proceeding

- [8] Blaze filed a Statement of Opposition on January 28, 2019. It later filed an Amended Statement of Opposition on March 12, 2019 (in response to Carbone's request for an interlocutory ruling striking part of the pleadings for insufficiency), and a Further Amended Statement of Opposition on July 8, 2021. The TMOB granted leave to file the latter document on July 21, 2021. Unless stated otherwise in these reasons, references to "Statement of Opposition" include all three iterations (i.e. originally filed, amended, and further amended) of the document.
- [9] With regard to the *Trademarks Act*, RSC 1985, c T-13 [*TMA*], as it existed prior to the changes on June 17, 2019, in light of the original filing date of the Statement of Opposition, Blaze's four grounds of opposition are based on the grounds permitted under subsection 38(2) of the *TMA*. See Annex "A" below for relevant legislative provisions.
- [10] More specifically, Blaze based its opposition on the following grounds: Carbone is not the person entitled to registration pursuant to paragraph 16(3)(a) of the *TMA*; the Mark is not registrable pursuant to paragraph 12(1)(d) of the *TMA*; the Application does not comply with

paragraph 30(i) of the *TMA*; and the Mark is not distinctive, within the meaning of section 2 of the *TMA*.

- [11] The Statement of Opposition describes Blaze's trademarks and trade names on which it relies in respect of one or more of the asserted grounds as follows:
 - FAST FIRE'D BLAZE PIZZA & Design [Blaze Trademark], registration number TMA1013451 dated January 21, 2019 based on use in association with pizza and restaurant services in Canada since October 2015 (the Blaze Trademark is reproduced below):



- FAST-FIRE'D, both as part of the Blaze Trademark and standing alone, used in Canada from October 2015 to the present, as exemplified by the following image involving the opening of Blaze's first restaurant in Canada at Yonge-Dundas Square in Toronto:



(The TMOB defines the above variation of the Blaze Trademark, that is with the words FAST FIRE'D to the right of the Flame Design, as the Long Logo at para 6 of the Decision.)

- BLAZE PIZZA, registered in Canada under number TMA922448 dated December 4,
 2015 for "restaurants," as well as the trade name BLAZE PIZZA, both of which have been used in Canada from October 2015 to the present; and
- FAST FIRE'D, registered in the United States under number 4,227,831 for "restaurants;" while this trademark has been used in states bordering Canada, via the Internet, and on social media, it is not registered in Canada.
- [12] Carbone's Counterstatement filed on April 22, 2019 essentially denies the grounds of opposition and the alleged facts on which they are based.
- Blaze filed the affidavits of Richard Wetzel, co-founder and Chairman of Blaze, dated August 21, 2019, and Dane Penney, a Trademark Search Specialist employed by Bereskin & Parr LLP (i.e. Blaze's former counsel), dated August 16, 2019. Carbone filed the affidavit of Benjamin Nasberg, President and CEO of Carbone, dated December 18, 2019. Both Richard Wetzel and Benjamin Nasberg were cross-examined on their affidavits and cross-examination transcripts were filed, as well as answers to undertakings.
- [14] Both parties filed written arguments but no oral hearing was held. On behalf of the Registrar of Trademarks, the TMOB issued its lengthy Decision on September 29, 2022 rejecting Blaze's opposition.

- C. Appealed Decision: Blaze Pizza, LLC v Carbone Restaurant Group Ltd, 2022 TMOB 194
- [15] The TMOB considered and rejected each of Blaze's grounds of opposition in turn. The Decision is summarized succinctly at para 3.
- [16] First, the TMOB found that the Mark was not confusing with the Blaze Trademark. Second, the TMOB was not satisfied that Blaze had established its use of any variations of the Blaze Trademark in Canada in a manner and to an extent sufficient to support a reasonable likelihood of confusion. Third, the TMOB held that Blaze had not met its evidential burden regarding the ground based on paragraph 30(i) of the *TMA*.
- [17] The TMOB began its analysis of the grounds of opposition with the ground based on paragraph 12(1)(d) of the *TMA*. After setting out the test for confusion, the TMOB considered the subsection 6(5) factors. Finding the word BLAZE to be the most striking and unique aspect of the Blaze Trademark, the TMOB found (at para 26) the "trademarks to be more different than alike" and concluded that the degree of resemblance (i.e. the 6(5)(e) factor) favours Carbone.
- [18] Regarding inherent distinctiveness and the extent to which they have become known (i.e. the 6(5)(a) factors), the TMOB found that the parties' trademarks have a certain measure of inherent distinctiveness because of the respective elements BLAZE and CARBONE but found the elements FAST-FIRE'D and FAST FIRED highly suggestive, if not descriptive, of the parties' goods and services. The TMOB held (at para 49 of the Decision) that the Blaze Trademark had become known to a greater extent than the Mark. The TMOB was not persuaded,

however, that "the FAST FIRE'D element has become known outside the context of the [Blaze Trademark] to an extent that would significantly enhance the degree of protection to which this element is entitled."

- [19] Regarding the length of time in use, and the nature of the parties' goods, businesses and trade (i.e. 6(5)(b), (c) and (d) factors), the TMOB found that all these factors favour Blaze.
- [20] The TMOB next considered several surrounding circumstances, none of which was determined to be a significant circumstance.
- [21] Regarding Carbone's state of the marketplace evidence, the TMOB found it insufficient to support the conclusion that Canadian consumers were used to distinguishing between trademarks and/or trade names incorporating the phrase FAST FIRED or similar combinations of the words FAST and FIRED.
- [22] Both parties made submissions about their respective trade dress. Among other elements, the TMOB considered the following arrangement of Blaze's pizza boxes:



- [23] The TMOB was of the view that the overall impression created is that the box displays a variation of the Blaze Trademark arranged to fit the periphery of the box. The TMOB found, however, a lack of evidence about the extent to which this particular pizza box design has been distributed in Canada.
- [24] The TMOB found neither parties' trade dress to be a significant surrounding circumstance.
- [25] The TMOB made a similar finding (i.e. lack of significance) about Carbone's prior Canadian trademark registrations numbers TMA1033217 and TMA1033187 for CARBONE COAL FIRED PIZZA (word mark) and CARBONE & Design (reproduced below) respectively.



- [26] Regarding Carbone's arguments about no instances of actual confusion shown by Blaze, the TMOB found that it was unable to draw any meaningful inferences from the applicable circumstances, notably that the parties' restaurants operate in different provinces and a lack of evidence of spill-in promotion or advertising by Blaze.
- [27] In the end, the TMOB found no likelihood of confusion between the parties' trademarks in large measure because of the different ideas suggested by the word BLAZE in respect of the

Blaze Trademark versus the words BY CARBONE in respect of the Mark. The TMOB thus rejected the registrability ground of opposition.

- [28] The TMOB also rejected the paragraph 30(i) ground. It noted that awareness of an allegedly confusing trademark in itself does not preclude an applicant from making the required statement as to entitlement to register the applied-for mark, and found that Blaze failed to meet its evidential burden.
- [29] Finding that the material dates applicable to the entitlement (i.e. paragraph 16(3)(a) of the *TMA*) and distinctiveness (i.e. section 2 of the *TMA*) grounds did not alter the outcome significantly, the TMOB rejected these grounds of opposition for similar reasons that resulted in the rejection of the registrability ground (under paragraph 12(1)(d) of the *TMA*).
- III. Issues, Blaze's New Evidence and Standard of Review
- A. Issues
- [30] Based on Blaze's memorandum of fact and law and its oral submissions at the hearing, I determine that there are three relevant issues here. First, is Blaze's new evidence material, warranting a *de novo* review? Second, does the entirety of the evidence establish, pursuant to subsection 16(3) of the *TMA*, that Carbone was entitled to the registration of the Mark? Third, does the evidence establish, pursuant to section 2 of the *TMA*, that the Mark was not distinctive in that it neither actually distinguishes nor is it adapted to distinguish the services covered by the Application from Blaze's goods, services and business?

[31] Although Blaze's memorandum also challenges the TMOB's findings regarding the paragraph 30(i) ground of opposition, Blaze submitted at the hearing that its new evidence engages a *de novo* review on the subsection 16(3) and section 2 grounds only (i.e. entitlement and distinctiveness) and that paragraph 12(1)(d) was not in play. Blaze's written and oral submissions essentially were restricted to these two grounds. Accordingly, I also have not considered on this appeal the TMOB's findings on the paragraph 30(i) ground.

B. Blaze's New Evidence

- [32] Blaze submitted two new affidavits on this appeal: (1) the affidavit of Bradford Reynolds, Chief Financial Officer of Blaze; and (2) the affidavit of Lori-Anne DeBorba, a law clerk with Bereskin & Parr LLP. Neither affiant was cross-examined on their affidavit.
- [33] The DeBorba affidavit attaches copies of documents contained in the Wetzel and Reynolds affidavits, and in the CIPO file history, but in colour and of better quality. Two examples from Exhibit "B" to the Reynolds affidavit (discussed next) are reproduced below:





[34] The Reynolds affidavit provides information regarding the extent to which the pizza boxes bearing FAST-FIRE'D on a side (with white lettering and an orange background) and BLAZE PIZZA on another side (with orange lettering and a lighter background) were displayed and distributed in Canada. The affidavit confirms that Blaze has used the same pizza box design since 2015. Between 2015 and January 28, 2019, Blaze has sold more than 1,730,000 of these boxes in Canada, representing about 80% of all pizzas sold. The affidavit also describes that since 2015, Blaze has instructed its Canadian franchisees to display stacks of pizza boxes in this unique alternating pattern, typically behind the customer counter (as shown in the above photos, and a smaller representation of which also is shown in para 22 of these reasons).

C. Standard of Review

- [35] An appellate standard of review applies where there is a statutory right of appeal (i.e. such as an appeal, like the one here, under section 56 of the *TMA*): *Canada (Minister of Citizenship and Immigration) v Vavilov*, 2019 SCC 65 at paras 36-37, citing *Housen v Nikolaisen*, 2002 SCC 33.
- [36] If new evidence is filed under subsection 56(5) of the *TMA* on an appeal from a decision of the TMOB, then the Court must start with a consideration of whether the new evidence would have affected the TMOB's decision materially: *The Clorox Company of Canada, Ltd v Chloretec SEC*, 2020 FCA 76 [*Clorox*] at para 19.
- [37] The new evidence must be sufficiently substantial and significant, and of probative value, to be considered material: *Clorox*, above at para 21, citing respectively *Vivat Holdings Ltd v Levi*

Strauss & Co, 2005 FC 707 [Vivat Holdings] at para 27 and Tradition Fine Foods Ltd v Groupe Tradition'l Inc, 2006 FC 858 at para 58. Merely supplemental or repetitive evidence will not meet this threshold: Scott Paper Limited v Georgia-Pacific Consumer Products LP, 2010 FC 478 [Scott Paper] at paras 48-49; Caterpillar Inc v Puma SE, 2021 FC 974 at para 33; appeal dismissed Puma SE v Caterpillar Inc, 2023 FCA 4, leave to appeal to SCC refused, 40641 (7 September 2023).

- [38] The test is not whether the new evidence would have changed the Registrar's mind, but instead whether it would have had a material effect on the decision: *Scott Paper*, above at para 49. The focus is on the quality, not quantity, of the evidence: *Vivat Holdings*, above at para 27.
- [39] A finding of materiality permits the Court, according to subsection 56(5), to "exercise any discretion vested in the Registrar." Justice de Montigny (as he then was) notes that this means an appeal *de novo* calling for the application of the correctness standard: *Clorox*, above at para 21.
- [40] In other words, the Court is not required to defer to the decision maker's reasoning process; undertaking its own analysis, the Court may decide whether it agrees with the decision maker's determinations or whether it will substitute its own views: *Dunsmuir v New Brunswick*, 2008 SCC 9 at para 50.
- [41] If the new evidence is not material (or if no new evidence is filed), then the previous standard of reasonableness is supplanted with the appellate standard of review: *Clorox*, above at

paras 22-23. This means questions of fact or mixed fact and law (except extricable questions of law) will be assessed for "palpable and overriding error" as described in *Mahjoub v Canada* (*Citizenship and Immigration*), 2017 FCA 157 at paras 61-64, leave to appeal to SCC refused, 37793 (17 May 2018). Questions of law (including extricable questions of law), on the other hand, will be assessed for correctness affording no deference to the conclusions of the underlying decision maker: *Clorox*, above at para 23; *Miller Thomson LLP v Hilton Worldwide Holding LLP*, 2020 FCA 134 at para 42.

- [42] In sum, I must assess the nature, significance, probative value, and reliability of Blaze's new evidence, in the context of the record, and determine whether it adds "something of significance" and hence, whether it would have affected the TMOB's decision materially: *Seara Alimentos Ltda v Amira Enterprises Inc*, 2019 FCA 63 [*Seara*] at paras 23-26. In other words, would the evidence have enhanced or otherwise clarified the record in a way that might have influenced the Registrar's conclusions on a finding of fact or exercise of discretion, had it been available at the time of the Decision? Further, even when new evidence is admitted on appeal, this does not necessarily displace the TMOB's findings in respect of every issue but rather only those issues for which the evidence is provided and admitted: *Seara*, above at para 22.
- [43] I turn next to a preliminary issue regarding Carbone's participation in the oral hearing, followed by an analysis of the materiality of Blaze's new evidence, and a consideration of its arguments regarding the entitlement and distinctiveness grounds of opposition.

IV. Analysis

[44] As a preliminary matter, I note that while Carbone filed a notice of appearance, it filed no evidence, nor written submissions on appeal. Although Carbone was present and listened to Blaze's submissions, Carbone otherwise did not participate in the oral hearing. Citing retainer issues with counsel, Carbone successfully persuaded the Court once, on the day of hearing previously scheduled for November 2023, to adjourn it. Having set a peremptory deadline for Carbone to resolve its retainer issues, the Court was not disposed to grant Carbone a further adjournment, when it informally requested another one for essentially the same reason only days before the rescheduled hearing.

A. Materiality of Blaze's New Evidence

- [45] I am satisfied that Blaze's new evidence is material, and not merely supplemental or repetitive, because it addresses a specific gap identified by the TMOB in its Decision and, thus, it would have had a material effect on the Decision.
- [46] The Wetzel affidavit filed in the opposition proceeding before the TMOB describes the trade dress associated with BLAZE PIZZA as including the use of the trademark FAST FIRE'D on pizza boxes next to the flame design in a circle (i.e. as in the image shown in para 22 of these reasons). The affidavit is silent, however, of the extent to which the pizza boxes were displayed and distributed in Canada.

- [47] At several points in the Decision, including in the context of its confusion and distinctiveness analyses, the TMOB finds that there is insufficient evidence regarding the use of FAST-FIRE'D. At paragraph 71 of the Decision, for example, the TMOB acknowledges that the pizza boxes display FAST-FIRE'D on one side, but states that "although the box might be considered to display a separate trademark on each side, and the trademarks on each side are of comparable size, I find that the overall impression created is that the box is also displaying a variation of the [Blaze Trademark], wherein the trademark's elements are arranged to fit around the periphery of the box." On this point, the TMOB concludes that "[i]n any event, no information is provided with respect to the extent to which this particular box design has been distributed."
- [48] As a further example, when discussing confusion in the context of entitlement under paragraph 16(3)(a), the TMOB observes (at para 93 of the Decision) that "[s]ince the non-entitlement ground of opposition is based on the Opponent's actual use of its trademark, the manner and context in which the Opponent's Trademark is used is more relevant." The TMOB continues, stating that (underlining added) "the parties' colour schemes, and the variations in the form of the trademarks in actual use, could gain importance."
- [49] Similarly, when discussing distinctiveness, the TMOB states (at paras 97-98 of the Decision) that "I find the evidence is insufficient to establish that the trademark FAST-FIRE'D standing alone has acquired a 'substantial, significant or sufficient' reputation as an indicator of source." Despite the latter finding, the TMOB determines that "[n]evertheless, the trademark FAST-FIRE'D may be considered as part of the Opponent's trade dress and thus a surrounding

circumstance." The TMOB thus rejects the distinctiveness ground for similar reasons as the registrability and entitlement grounds.

- [50] For the above reasons, I determine that information in the Reynolds affidavit in particular, coupled with the clearer images produced in the DeBorba affidavit, both concerning the display and distribution of Blaze's pizza boxes, would have affected the TMOB's entitlement and distinctiveness analyses materially. I therefore consider these issues next on a *de novo* or correctness basis.
- B. Carbone is not entitled to the registration of the Mark
- [51] Having considered the issue of entitlement under paragraph 16(3)(a) based on the parties' evidence before the TMOB and Blaze's new evidence on appeal, I find that Blaze has satisfied its evidentiary burden, while Carbone has failed to show that it is entitled to the registration of the Mark in Canada. The ensuing analysis is subject to the following considerations.
- [52] As mentioned earlier in these reasons, the *de novo* approach applies only to the issues in the Decision which are related to the new evidence: *Seara*, above at para 22. In *Align Technology, Inc v Osstemimplant Co, Ltd*, 2022 FC 720, Justice Furlanetto found (at para 19) that new evidence was material to the paragraph 6(5)(a) analysis. Accordingly, a *de novo* review was appropriate in *Align* for paragraph 6(5)(a) and the overall weighing of the confusion factors. The analysis of the other factors under subsection 6(5), however, was reviewable on the palpable and overriding error standard. In other words, only a portion of the TMOB's confusion analysis in *Align* was considered *de novo*.

- [53] I find that the new evidence here regarding the pizza boxes is material to the following elements of the confusion analysis: paragraph 6(5)(a) in so far as the extent to which the parties' marks have become known in light of the TMOB's consideration (at paras 35-36 of the Decision) of variations of the Blaze Trademark; paragraph 6(5)(e) the degree of resemblance (further to Blaze's argument that the TMOB did not assess the marks as used); the surrounding circumstance of trade dress; and the overall weighing of the subsection 6(5) factors. A *de novo* analysis is warranted in respect of these factors.
- [54] Conversely, the new evidence does not relate, in my view, to the following elements: paragraph 6(5)(a) inherent distinctiveness; paragraph 6(5)(b) length of time in use; paragraph 6(5)(c) and (d) nature of the parties' goods, services, businesses and trades; and the surrounding circumstances of the state of the marketplace, Carbone's prior registration, and the asserted lack of actual confusion. These factors are reviewable on the appellate standard, i.e. correctness for questions of law, and palpable and overriding error for questions of fact and mixed fact and law.
- I pause to note that reconsidering aspects of the TMOB's confusion assessment necessitates dipping into the registrability analysis under paragraph 12(1)(d) because the TMOB relied on the outcome of its confusion assessment there when it considered the entitlement and distinctiveness grounds. The TMOB's determinations on the latter grounds are the only substantive challenges at issue before the Court. These reasons thus do not address the TMOB's registrability determination on the whole.

- I also note that I agree with the TMOB's articulation of the test for confusion, at paras 16-17 of the Decision. Simply put, pursuant to subsection 6(2) of the *TMA*, the use of a trademark will cause confusion with another trademark, as to the source of the associated goods or services, if the use of both of them in the same area would be likely to lead to the inference that the goods or services are manufactured, sold, leased, hired or performed by the same person. The likelihood of confusion is to be assessed from the perspective of the first impression on a casual, hurried consumer, with an imperfect recollection of an opponent's trademark, who sees an applicant's trademark and does not pause to give the matter any detailed consideration nor to examine closely the similarities and differences between the trademarks: *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 at para 20.
- [57] In keeping with the notion of a hurried consumer, the marks in issue in a confusion assessment must be considered in their entirety and not dissected minutely; it is possible nonetheless to focus on particular features of the mark that may have a determinative influence on the public's perception of it: *Pink Panther Beauty Corp v United Artists Corp*, 1998 CanLII 9052 (FCA).
- [58] I turn next to the specific subsection 6(5) issues at issue on this appeal. Because the TMOB commenced its confusion analysis with the degree of resemblance (i.e. the 6(5)(e) factor), I start with the same factor.

- (1) 6(5)(e) Degree of Resemblance
- [59] While I do not agree with all of Blaze's arguments concerning this ground, I find that the use of the Blaze Trademark on the pizza boxes reinforces the overall similarities of the parties' marks and tips the likelihood of confusion balance in favour of Blaze.
- [60] Blaze argues that the TMOB wrongly considered each element of the parties' marks separately, rather than the overall impression of the marks. I disagree.
- [61] The Decision describes the correct test (at para 18), citing *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27. The TMOB specifically acknowledges that "each trademark must be considered as a whole and assessed for its effect on the average consumer as a matter of first impression." According to the TMOB, this does not mean, and I agree, that a dominant component that would affect a consumer's overall impression should be ignored. Rather, to begin, the trier should determine if there is any aspect that is "particularly striking or unique" as *Masterpiece* guides at para 64.
- [62] The TMOB found (at para 36 of the Decision) that the word FAST-FIRE'D did not contribute significantly to the overall impression of the Blaze Mark, especially since the font was smaller and it is highly suggestive. Even for the variations of the Blaze Mark in which FAST-FIRE'D was displayed somewhat more prominently and to the right of BLAZE PIZZA and the flame design (such as the Long Logo and as depicted at para 34 of the Decision), the TMOB viewed the larger, more prominent words BLAZE PIZZA as the important first portion of the

Blaze Trademark. The TMOB did not err, in my view, in making these findings. That it may have been open the TMOB to make other determinations based on the evidence before it does not mean, in itself, that the TMOB got it wrong: *National Bank of Canada v Lavoie*, 2013 FC 642 at para 30, rev'd on other grounds 2014 FCA 268.

- [63] The TMOB, however, did not conduct any analysis regarding the degree of resemblance between the Blaze Trademark as used on the pizza boxes or the FAST-FIRE'D mark standing alone and the Mark. I am not persuaded, however, that FAST-FIRE'D as a stand alone trademark can be taken into account as such in the entitlement ground.
- I note that, as pleaded in the Statement of Opposition, the entitlement ground refers only to the Blaze Trademark. It reads, "The Applicant is not the person entitled to registration pursuant to Section 16(3)(a) of the Act because, at the date of application, namely November 7, 2017, the Trademark was confusing with the Opponent's trademark FAST-FIRE'D BLAZE PIZZA & Design as particularized above, previously used and/or made known by the Opponent and its licensees in Canada in association with pizza and restaurant services since at least as early as October 2015 continuously to the present."
- [65] That said, Blaze submitted at the hearing before the Court that on the periphery of the pizza box, the consumer readily will see two sides of the box at the same time and will see all elements of the Blaze Trademark itself oriented differently. Blaze pointed to paragraph 71 of the Decision where it states, "I find that the overall impression created is that the box is also

displaying a variation of the [Blaze Trademark], wherein the trademark's elements are arranged to fit around the periphery of the box." I agree with this finding.

- [66] While the word BLAZE is still a striking and unique aspect of the Blaze Trademark (as held at para 19 of the Decision), I find that the word FAST-FIRE'D is equally prominent in the pizza box variation. The display of the flame design in a circle to the left of FAST-FIRE'D in the pizza box variation contributes, in my view, to the overall resemblance in appearance between the Blaze Trademark and the Mark which similarly features a flame design, somewhat circular in shape, to the left of the words FAST FIRED (under which are the words BY CARBONE in smaller lettering). In other words, I determine that the degree of resemblance factor favours Blaze.
- [67] Further, Blaze's new evidence addresses the gap in the evidence before the TMOB regarding the extent to which the pizza boxes displaying the variation of the Blaze Trademark have been distributed in Canada. I deal with this issue next.
 - (2) 6(5)(a) Extent to which the parties' marks have become known
- [68] According to the Reynolds affidavit, 80% of the 2.19 million pizzas Blaze sold in Canada between 2015 and January 28, 2019 were sold in pizza boxes like those shown above with FAST FIRE'D displayed on one side of the box. This means that 1.73 million boxes circulated in Canada during this period.

- [69] That said, the relevant date for assessing the likelihood of confusion in the context of an entitlement objection under paragraph 16(3)(a) is the date of filing of the opposed trademark application. Here, the Application was filed on November 7, 2017. According to the breakdown of yearly sales numbers provided in the Reynolds affidavit of pizzas sold in boxes, this means that sales of approximately 830,000 pizzas in boxes are relevant to the entitlement ground.
- [70] I am prepared to infer from Blaze's evidence that the reduction in the number of relevant pizza boxes circulated in Canada as of the relevant date may be offset somewhat by the remaining 20% of pizzas Blaze sold that were not sold in pizza boxes but nonetheless involved the display of them at the point of sale in the franchisee-operated restaurants in the manner depicted in para 33 of these reasons. Overall, I find the new evidence of the display and distribution of the Blaze Trademark in the form of the variation on the pizza boxes also enhances the notion of separate marks of comparable size displayed on each side of the box, as discussed by the TMOB in paras 49 and 71 of the Decision. This has greater significance for the surrounding circumstance of trade dress and the distinctiveness ground considered below.
- [71] In contrast, the Nasberg affidavit attests to the opening of Carbone's first FAST FIRED BY CARBONE restaurant in Brandon, Manitoba on March 29, 2018. An exhibit to the Nasberg affidavit is a photo of a restaurant store sign used on all FAST FIRED BY CARBONE restaurant locations (3 as of December 18, 2019 when Mr. Nasberg swore his affidavit). Although the photo could be clearer, I can discern that the sign depicts the Mark or a close variation.

- [72] All of the information in the Nasberg affidavit regarding Carbone's use of the Mark post-dates the filing date of the Application. Accordingly, I determine that the extent to which the parties' respective marks have become known, including Blaze's pizza box variation, favours Blaze.
 - (3) 6(5) Surrounding circumstance: Trade dress
- [73] The Blaze pizza boxes, and the new evidence about their display and circulation in Canada, also are pertinent to the surrounding circumstance of trade dress.
- The TMOB noted, and I agree, that the entitlement ground of opposition as pleaded is based solely on the Blaze Trademark, and not on, for example, the FAST-FIRE'D mark standing alone. Because actual use is more relevant to this ground, however, variations of the Blaze Trademark and trade dress are more significant. As determined by the TMOB and discussed above, the pizza boxes contain a variation of the Blaze Trademark. They also were considered under trade dress.
- [75] The Registrar discounted the variation of the Blaze Trademark, including the equally prominent FAST FIRE'D element, as used on the pizza boxes because there was no evidence regarding the extent of their display and distribution. Given the new evidence, the pizza boxes represent, in my view and contrary to the TMOB's determination (at para 73 of the Decision), a more significant surrounding circumstance that favours Blaze and, thus, will be considered in the overall weighing exercise.

(4) Overall weighing

- [76] Taking all the subsection 6(5) factors into account, including the above three reconsidered factors based on Blaze's new evidence, I find that the likelihood of confusion balance weighs in favour of Blaze and that Carbone has not met its legal onus of establishing that it is entitled to the registration of the Mark in Canada.
- [77] Given the lack of evidence and argument to the contrary, I am unpersuaded that the TMOB made any palpable and overriding error regarding the subsection 6(5) elements that are not subject to a correctness standard of review.
- [78] Regarding the inherent distinctiveness of the parties' marks under 6(5)(a), it was reasonably open to the TMOB to determine (at para 27 of the Decision) that each of the trademarks "possesses a certain measure of inherent distinctiveness owing to the elements BLAZE and CARBONE" and, further, that "the phrases FAST FIRED and FAST-FIRE'D to be highly suggestive, if not descriptive, of the parties' goods and service." In other words, this factor does not favour either party clearly.
- [79] The TMOB determined that "the evidence does not allow [it] to conclude that the FAST FIRE'D element has become known outside the context of the Opponent's Trademark to an extent that would significantly enhance the degree of protection" (at para 49 of the Decision). I find that Blaze's new evidence addresses the latter point to a significant extent. In other words, I

find that Blaze's new evidence augments the TMOB's previous finding that the extent to which the parties' marks are known favours Blaze.

- [80] Regarding length of time in use, as well as the nature of the parties' goods, services, businesses and trades, i.e. the 6(5)(b), (c) and (d) factors, I see no reason to depart from the TMOB's findings and conclusions that these factors favour Blaze. Similarly, regarding the TMOB's findings about the surrounding circumstances of state of the marketplace, Carbone's prior registration, and Carbone's arguments about the lack of evidence of any instances of confusion, I agree with the TMOB that these are not significant factors. I find, however, that the surrounding circumstance of trade dress favours Blaze when viewed against the backdrop of its new evidence.
- [81] Acknowledging that the words FAST-FIRE'D and FAST FIRED are highly suggestive, the TMOB found that the variations of the Blaze Trademark and trade dress did not "tip the balance" in the confusion analysis (at para 93 of the Decision). The absence of any challenge to Blaze's new evidence through cross-examination and argument underscores, in my view, Carbone's lack of participation in Blaze's appeal of the Decision under section 56 of the *TMA*. Noting that Carbone bears the ultimate onus, however, of demonstrating that the marks are not confusing, I find the new evidence "tips the balance" the other way. In other words, with confusion made out, this means that Blaze succeeds in its opposition to the Application on the entitlement ground under paragraph 16(3)(a) of the *TMA*.
- [82] For completeness, I consider the distinctiveness ground next.

- C. The Mark is not distinctive of Carbone
- [83] I am satisfied that Blaze's new evidence shows that the variation of the Blaze Trademark displayed on pizza boxes, as well as the stand alone trademark FAST FIRE'D, have sufficient, if not significant reputation, to displace any distinctiveness Carbone acquired in its Mark through use from 2018 until Blaze's opposition to the Application near the beginning of 2019.
- [84] The relevant date for assessing whether an opposed trademark is distinctive or adapted to distinguish an applicant's goods or services from those of an opponent is the date of filing of the statement of opposition: *Park Avenue Furniture Corp v Wickes/Simmons Bedding Ltd*, 1991 CanLII 11769 (FCA), 37 CPR (3d) 413 at 423-424. In the matter presently before me, Blaze filed its opposition on January 28, 2019.
- [85] Further, the onus is on Blaze to show that, as of this date, one or more of its trademarks had become known sufficiently to negate the distinctiveness of FAST FIRED BY CARBONE & Design: *Bojangles' International LLC v Bojangles Café Ltd*, 2006 FC 657 at para 34. According to *Bojangles* (at para 34), "[a] mark must be known in Canada to some extent at least to negate the established distinctiveness of another mark, and its reputation should be substantial, significant or sufficient."
- [86] The TMOB acknowledged (at para 95 of the Decision), and I agree, that the trademark FAST-FIRE'D standing alone and as part of the trade dress is relevant to the distinctiveness analysis. Unlike the other grounds of opposition, the section 2 distinctiveness ground does not

identify a specific trademark on which it relies. The TMOB thus concluded that "this ground must be read in conjunction with the statement of opposition as a whole, and is thus limited to allegations of confusion with the trademarks, trade name, and trade dress pleaded in the statement of opposition" (as described in paragraphs 9-12 of the Statement of Opposition and summarized in paragraph 11 above).

- [87] Earlier in the Decision (at para 42), the TMOB concluded that the Blaze Trademark was known to some extent in Ontario and Alberta starting in 2015, based on Blaze's sales and advertising. The new evidence demonstrates that 80% of the pizzas sold used boxes featuring FAST-FIRE'D either standing alone or as part of the variation of the Blaze Trademark, in addition to advertising and store displays. In considering this evidence in connection with entitlement ground, the date of filing of the Application, namely, June 27, 2017, constrained the extent to which the evidence could be considered.
- [88] Where the relevant date for assessing the distinctiveness ground, however, is the date of filing of the Statement of Opposition on January 28, 2019, this means that all the evidence of the display and distribution of the pizza boxes in Canada can be considered here (i.e. 80% of 2.19 million pizzas Blaze sold in Canada between 2015 and January 28, 2019 equalling 1.73 million boxes circulated in Canada during this period). In my view, this new evidence is significant and sufficient to negate the distinctiveness of the Mark.
- [89] In 1648074 Ontario Inc v Akbar Brothers (PVT) Ltd, 2019 FC 1305 at para 47, Justice Roy states: "If one is to rely on the sales made in Canada to satisfy its evidential burden to show

that its mark was known to some extent, there need be evidence of sales." In the Decision here (at para 97), Blaze met its evidential burden for the Blaze Trademark but not the trademark FAST-FIRE'D standing alone. The TMOB thus rejected the distinctiveness ground (at para 98) "for essentially the same reasons as the registrability and entitlement grounds," presumably including the lack of evidence regarding the pizza boxes.

[90] With the new evidence, Blaze has provided evidence of sales for the pizza boxes, thereby meeting its evidential burden. The onus then shifts to Carbone which, by not participating in the appeal or providing written submissions, has failed to satisfy its burden to show that the Mark is distinctive or adapted to distinguish Carbone's services covered in the Application from the goods, services and business of Blaze.

V. Conclusion

[91] For the above reasons, I find that Carbone has not met its onus of establishing, on a balance of probabilities, that it is entitled to register the Mark and that the Mark is distinctive of Carbone as the source of the services associated with the Mark. Blaze thus succeeds on its appeal under subsection 56(1) of the *TMA*. Consequently, the Decision will be set aside, with the Application refused pursuant to subsection 38(12) of the *TMA*.

VI. <u>Costs</u>

[92] At the end of the hearing before me, Blaze made costs submissions based on mid and upper Column III and upper Column IV of Tariff B. I also permitted Carbone, although

unrepresented, to make post-hearing submissions in writing on the three draft Bills of Costs [Bills] prepared by Blaze. To date, the Court has not received any costs submissions from Carbone.

- [93] I note that all of the Bills include costs incurred for full preparation for the hearing originally scheduled for November 2023 and adjourned the day of the hearing following the hearing instead of Carbone's informal motion for adjournment which was granted. The Bills also include costs for preparing for and arguing the adjournment motion, responding to Carbone's second request for an adjournment, as well as preparing for and attending the rescheduled hearing.
- [94] Although the Bills represent a fraction of Blaze's actual costs, given that the hearing was undefended in the end, I find that the draft Bill of Costs based on upper Column III of Tariff B represents a fair and just amount on which to base a costs award. Exercising my discretion under rule 400 of the *Federal Courts Rules*, SOR/98-106, I thus award Blaze the (rounded up) lump sum amount of \$15,000, including fees and disbursements, payable by Carbone.

JUDGMENT in T-2544-22

THIS COURT'S JUDGMENT is that:

- Blaze Pizza, LLC's application appealing the September 29, 2022 decision of the Trademarks Opposition Board, on behalf of the Registrar of Trademarks, and having citation 2022 TMOB 194, is allowed.
- 2. The September 29, 2022 decision of the Trademarks Opposition Board, on behalf of the Registrar of Trademarks (2022 TMOB 194) rejecting Blaze Pizza, LLC's opposition against Carbone Restaurant Group Ltd.'s trademark application number 1866711 for the trademark FAST FIRED BY CARBONE & Design is set aside.
- 3. Trademark application number 1866711 for the trademark FAST FIRED BY CARBONE & Design filed on November 7, 2017 is refused pursuant to subsection 38(12) of the *Trademarks Act*.
- 4. Blaze Pizza, LLC is awarded lump sum costs in the amount of \$15,000, including fees and disbursements, payable by Carbone Restaurant Group Ltd.

"Janet M. Fuhrer"
Judge

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Annex "A": Relevant Provisions

Trademarks Act, RSC 1985, c T-13. Loi sur les marques de commerce, LRC 1985, ch T-13.

Confusion — trademark with other trademark

6 (2) The use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class or appear in the same class of the Nice Classification.

[...]

What to be considered

- **6 (5)** In determining whether trademarks or trade names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including
 - (a) the inherent distinctiveness of the trademarks or trade names and the extent to which they have become known;
 - (b) the length of time the trademarks or trade names have been in use;
 - **(c)** the nature of the goods, services or business;
 - (d) the nature of the trade; and
 - (e) the degree of resemblance between the trademarks or trade names, including in appearance or sound or in the ideas suggested by them.

Marque de commerce créant de la confusion avec une autre

6 (2) L'emploi d'une marque de commerce crée de la confusion avec une autre marque de commerce lorsque l'emploi des deux marques de commerce dans la même région serait susceptible de faire conclure que les produits liés à ces marques de commerce sont fabriqués, vendus, donnés à bail ou loués, ou que les services liés à ces marques sont loués ou exécutés, par la même personne, que ces produits ou services soient ou non de la même catégorie générale ou figurent ou non dans la même classe de la classification de Nice.

[...]

Éléments d'appréciation

- 6 (5) En décidant si des marques de commerce ou des noms commerciaux créent de la confusion, le tribunal ou le registraire, selon le cas, tient compte de toutes les circonstances de l'espèce, y compris :
- a) le caractère distinctif inhérent des marques de commerce ou noms commerciaux, et la mesure dans laquelle ils sont devenus connus;
- **b**) la période pendant laquelle les marques de commerce ou noms commerciaux ont été en usage;
- **c**) le genre de produits, services ou entreprises;
- **d**) la nature du commerce;
- e) le degré de ressemblance entre les marques de commerce ou les noms commerciaux, notamment dans la présentation ou le son, ou dans les idées qu'ils suggèrent.

Decision

38 (12) After considering the evidence and representations of the opponent and the applicant, the Registrar shall refuse the application, reject the opposition, or refuse the application with respect to one or more of the goods or services specified in it and reject the opposition with respect to the others. He or she shall notify the parties of the decision and the reasons for it.

Décision

38 (12) Après avoir examiné la preuve et les observations des parties, le registraire rejette la demande, rejette l'opposition ou rejette la demande à l'égard de l'un ou plusieurs des produits ou services spécifiés dans celle-ci et rejette l'opposition à l'égard des autres. Il notifie aux parties sa décision motivée.

Appeal

56 (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.

[...]

Additional evidence

56 (**5**) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

Appel

56 (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.

[...]

Preuve additionnelle

56 (**5**) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

Trade-marks Act, RSC, 1985, c T-13 (Version of document from 2018-12-30 to 2019-06-16) Loi sur les marques de commerce, LRC (1985), ch T-13 (Version du document du 2018-12-30 to 2019-06-16)

Definitions

2 In this Act,

 $[\ldots]$

distinctive, in relation to a trade-mark, means a trade-mark that actually distinguishes the goods or services in association with which it is used by its owner from the goods or

Définitions

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

[...]

distinctive Relativement à une marque de commerce, celle qui distingue véritablement les produits ou services en liaison avec lesquels elle est employée par son

services of others or is adapted so to distinguish them; (distinctive)

propriétaire, des produits ou services d'autres propriétaires, ou qui est adaptée à les distinguer ainsi. (distinctive)

When trade-mark registrable

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

[...]

(d) confusing with a registered trade-mark;

Marque de commerce enregistrable

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

[...]

d) elle crée de la confusion avec une marque de commerce déposée;

Proposed marks

16 (3) Any applicant who has filed an application in accordance with section 30 for registration of a proposed trade-mark that is registrable is entitled, subject to sections 38 and 40, to secure its registration in respect of the goods or services specified in the application, unless at the date of filing of the application it was confusing with

- (a) a trade-mark that had been previously used in Canada or made known in Canada by any other person;
- (b) a trade-mark in respect of which an application for registration had been previously filed in Canada by any other person; or
- (c) a trade-name that had been previously used in Canada by any other person.

Marques projetées

16 (3) Tout requérant qui a produit une demande selon l'article 30 en vue de l'enregistrement d'une marque de commerce projetée et enregistrable, a droit, sous réserve des articles 38 et 40, d'en obtenir l'enregistrement à l'égard des produits ou services spécifiés dans la demande, à moins que, à la date de production de la demande, elle n'ait créé de la confusion :

- a) soit avec une marque de commerce antérieurement employée ou révélée au Canada par une autre personne;
 b) soit avec une marque de commerce à l'égard de laquelle une demande d'enregistrement a été antérieurement produite au Canada par une autre personne;
 c) soit avec un nom commercial
- c) soit avec un nom commercial antérieurement employé au Canada par une autre personne.

Contents of application

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

[...]

(i) a statement that the applicant is satisfied that he is entitled to use the trade-mark in Canada in association with the goods or services described in the application.

Contenu d'une demande

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

[...]

i) une déclaration portant que le requérant est convaincu qu'il a droit d'employer la marque de commerce au Canada en liaison avec les produits ou services décrits dans la demande.

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: T-2544-22

STYLE OF CAUSE: BLAZE PIZZA, LLC v CARBONE RESTAURANT

GROUP LTD.

PLACE OF HEARING: TORONTO, ONTARIO

DATE OF HEARING: MARCH 26, 2024

JUDGMENT AND REASONS: FUHRER J.

DATED: NOVEMBER 6, 2024

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