

THE SPIRIT OF CUBA

By John McKeown

A recent decision of the Federal Court affirmed a finding of the Trade-marks Opposition Board that the trade mark THE SPIRIT OF CUBA was not registrable in association with rum but was registrable in association with non-alcoholic beverages and the services relating to the retail sale of alcoholic beverages.

The Opposition

When the application was advertised, it was opposed on the basis that the proposed mark was deceptively misdescriptive of the place of origin of the wares. The evidence before the Board established that the applicant's rum was distilled, aged and blended in the Dominican Republic. The applicant had left Cuba in 1959 but continued the production of rum in Florida, Puerto Rico, the Bahamas and, finally, in the Dominican Republic, always using the original recipe handed down through generations of the applicant's family. The applicant argued that in light of this history, consumers on being presented with the mark were informed of the Cuban heritage of the rum sold in association with it, but not referred to a specific location.

The dispute was fueled by the fact that the word "spirit" has two meanings, both of which are relevant to the wares. The applicant's interpretation was that it referred to a mental condition or attitude while the opponent said it meant a strong distilled liquor. There was evidence supporting both of these definitions.

The Decision of the Board

The Hearing Officer stated that it was necessary to take the position of an average Canadian consumer of rum and determine if that consumer would associate the mark with Cuba as the place of origin of the rum on a first impression basis. The Hearing Officer concluded that such a consumer, when confronted with the mark used in association with rum, was more likely, on a first impression basis, to think that it was rum originating from Cuba. As it was not, the mark was found to be deceptively misdescriptive of the place of origin of the rum.

The Appeal

The applicant appealed this decision to the Federal Court. Under the *Trade-marks Act* (the "Act"), it was open to the applicant to file additional evidence in support of its appeal. The applicant filed new evidence consisting of, among other things, the evidence of a university instructor who held a Ph.D in linguistics, and a survey of in excess of 1,000 respondents concerning their reaction to the mark.

The Decision on Appeal

a) The Standard of Review

The Judge observed that on appeal, if no evidence is filed that would have materially affected the Board's findings, the standard of review is reasonableness if the issue is one of fact or mixed law and fact. The Court must come to its own conclusions if the additional evidence presented materially affects the Board's findings. However, if the additional evidence adds nothing of significance but is merely repetitive of existing evidence without enhancing its cogency, the issue will be whether the Board was clearly wrong.

b) Deceptively Misdescriptive

When determining whether the mark is deceptively misdescriptive, the issue is whether the general public in Canada would be misled into the belief that the product with which the trade mark is associated has its origin in the geographic name contained in the trade mark. One must place oneself in the position of the average Canadian consumer of ordinary intelligence and education who would see the mark used in association with rum. When making this decision, one should not carefully and critically analyze the mark, rather a common sense approach should be adopted to determine the immediate impression created by the mark as a whole in association with the wares. The etymological meaning of the words is not necessarily the appropriate choice to determine the meaning of the words used in the trade mark.

c) The Additional Evidence

The Court was not impressed by the additional evidence filed by the applicant. First, the Court was not convinced that the applicant's linguistic expert was qualified to provide evidence concerning the meaning of the word "spirit." The expert's curriculum vitae showed that he specialized in the field of phonology, the science of speech sounds, not lexicology, the study of the meaning and the significance of words.

Second, the Court thought the Internet survey was of very little assistance. The survey asked two questions. One, if you were to read the words "the Spirit" on a product, what would be the meaning of "the Spirit" to you? Two, if you were to read the words "the Spirit of Cuba" on a product, what would be the meaning of "the Spirit" to you. The Courts doubted that this survey was responsive to the matters in issue since it never presented the word "the Spirit" or "the Spirit of Cuba" in the context of rum. Only half of the individuals surveyed had purchased rum in the previous twelve months. In addition, 15% of them associated alcohol with the word "spirit" and 13% associated Cuban rum with the words "the Spirit of Cuba."

As a result, the Court found that the Board's conclusion was supported by the evidence and was reasonable. In addition, the additional evidence did not materially affect the Board's findings. As a result, the appeal was dismissed.

Conclusion

The Act is consumer protection legislation. In the context of this case, the purpose of the prohibition is to prevent traders from protecting a mark that is deceptively misdescriptive.