

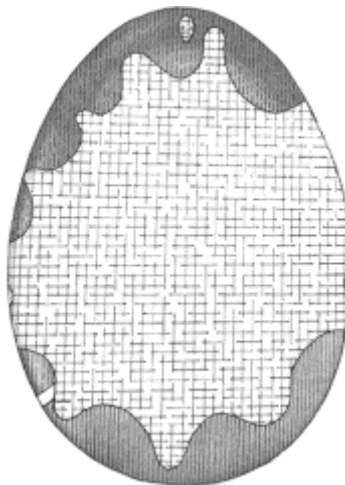
LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2013 TMOB 119
Date of Decision: 2013-07-05

**IN THE MATTER OF AN OPPOSITION
by Karma Candy Inc. to application
No. 1446580 for the trade-mark
CADBURY CREME EGG LABEL
Design in the name of Cadbury UK
Limited**

Background

[1] On July 30, 2009, Cadbury UK Limited (the Applicant), filed an application for the trade-mark CADBURY CREME EGG LABEL Design (the Mark), shown below, based upon proposed use of the Mark in Canada.



Colour is claimed as a feature of the trade-mark. The drawing is line for colour, namely purple on top, yellow in the middle, and red at the bottom.

[2] The statement of wares currently reads: (1) Chocolate confectionery, namely, chocolates, molded chocolate, filled chocolate and chocolate bars. The application was advertised for opposition purposes in the *Trade-marks Journal* of March 10, 2010.

[3] On August 10, 2010, Karma Candy Inc. (the Opponent), opposed the application on several grounds which may be summarized as follows:

- 1) whether the Mark is a distinguishing guise;
- 2) whether the application complies with sections 30(a), 30(e), s. 30(h) and 30(i) of the *Trade-marks Act*, RSC 1985 c T-13, (the Act);
- 3) whether the Mark is clearly descriptive or deceptively misdescriptive of the character or quality of the wares covered by the application;
- 4) whether the Mark is registrable in that it has become recognized in Canada as designating the kind and quality of the applied for wares; and
- 5) whether the Mark is adapted to distinguish the wares of the Applicant from those of others.

[4] The Applicant filed and served a counter statement, in which it denied the Opponent's allegations.

[5] The Opponent filed two affidavits of Carolyn Hewitt, both dated March 14, 2011 (Hewitt and Hewitt (Red/Purple/Yellow)). Ms. Hewitt is a law clerk employed with the Opponent's firm. While an order had issued for the cross-examination of Ms. Hewitt on her affidavits, the Applicant did not proceed with the cross-examination. The Applicant filed the affidavit of Dane Penney, a searcher employed by the agents for the Applicant. Mr. Penney was not cross-examined.

[6] Only the Applicant filed a written argument but both parties were represented at an oral hearing. I note that the Opponent's agent stated at the hearing that she was not aware that only 2.5 hours had been set aside for the hearing. This allotment of time, however, is clearly stated in the hearing notice dated January 17, 2013. Further, the Opponent could have requested more time for the hearing prior to the hearing date had it been able to justify why additional time was required. That said, oral arguments are usually provided as a supplement to written arguments. In the present case, the Opponent did not file written arguments which could have been helpful in view of the complexity of the issues.

[7] Subsequent to the oral hearing, the Opponent requested leave to file an amended statement of opposition including a section 30(b) ground of opposition. In view of the late stage of the proceedings, the fact that the Opponent did not provide any explanation as to why the amendment could not have been made earlier and the potential prejudice to the Applicant, I was not satisfied that it was in the interests of justice to grant the Opponent's request. The Opponent's request for leave to file an amended statement of opposition was therefore refused by way of letter dated May 8, 2013.

[8] Also subsequent to the oral hearing, the Applicant requested leave to file the affidavit of Amrita Singh as additional evidence under Section 44(1) of the *Trade-mark Regulations*, SOR/96-195 (the Regulations). Although the Applicant had provided a reasonable explanation as to why the evidence was not filed earlier, in view of the late stage of the proceedings, the evidence was not considered to be of sufficient importance to justify the prejudice to the Opponent in delaying the proceedings. As I was not satisfied that it was in the interests of justice to grant the Applicant's request, the Applicant's request for leave was refused by way of letter dated May 8, 2013.

Preliminary Issues

[9] There are a number of preliminary issues that need to be addressed before the grounds of opposition can be analyzed.

1. Can the Opponent rely on a ground that was not pleaded in the statement of opposition?

[10] The Opponent submits that the evidence shows that there has been use of the Mark prior to the filing date of the application. Relying on the 1969 decision in *Tone Craft Paints Ltd v Du-Chem Paint Co Ltd* (1969), 62 CPR 283 (TMOB), the Opponent submitted that since the evidence shows that there had been use of the Mark prior to the Applicant's filing date, the Applicant has not complied with section 30(b) of the Act. Section 30(b), however, was not pleaded as a ground of opposition.

[11] The Federal Court has directed that an opposition is to be assessed in view of the grounds of opposition as pleaded. The decision in *Imperial Developments Ltd v Imperial Oil Ltd* (1984), 79 CPR (2d) 12 (FCTD) holds that the Registrar is precluded from considering or ruling on a ground of opposition if it is not raised in the statement of opposition. Further, the decision of the Federal Court of Appeal in *Novopharm Ltd v AstraZeneca* [2002] 219 DLR (4th) 290 (FCA) (*Novopharm*) held that statements of opposition must be in conformity with section 38(3)(a) of the Act, and in particular, grounds of opposition must be set out in sufficient detail to enable the trade-mark applicant to reply to it. Section 40 of the Regulations provides that no amendments may be made to a statement of opposition without leave of the Registrar.

[12] More recently, in *Massif Inc v Station Touristique Massif du Sud (1993) Inc* (2011), 95 CPR (4th) 249 (FC) decision, the Federal Court made the following comments about the sufficiency of pleadings:

It is settled law that the Board is not authorized to allow an opposition on the basis of a ground that has not been raised by the opposing party. In *Imperial Developments Ltd. v. Imperial Oil Ltd*, 26 A.C.W.S. (2d) 155, 79 C.P.R. (2d) 12 (Justice Muldoon), the Court stated that an organization such as the Registrar of Trade-Marks is a creature of statute and that it has no inherent or extrinsic jurisdiction in its constituting legislation. The Court also stated that the Registrar called on to dispose of an opposition could not base its decision on a ground that had not been stated in the statement of opposition.

More recently, in *Procter & Gamble Inc. v. Colgate-Palmolive Canada Inc.*, 2010 FC 231, 364 F.T.R. 288, at paragraph 26, 81 C.P.R. (4th) 343, Justice Boivin also adopted this jurisprudential principle:

... The Respondent submits it is settled law that there is no jurisdiction to deal with an issue not found in a Statement of Opposition and this Court does not have jurisdiction to entertain issues that were not raised before the Board (*McDonald's Corp. v. Coffee*

Hut Stores Ltd. , (1994), 76 F.T.R. 281, 55 C.P.R. (3d) 463 , aff'd (1996) 199 N.R. 106, 68 C.P.R. (3d) 168 (F.C.A.)). I agree with the Respondent....

[13] In view of the above, it is clear that where an opponent has pleaded that the application fails to comply with a section of the Act based on a particular set of circumstances, it is not permissible to refuse it on the basis that it does not comply with that section of the Act for reasons different than those pleaded. I therefore will not consider non-compliance with section 30(b) as a ground of opposition in the present case. I would like to add that, even if section 30(b) had been pleaded as a ground of opposition, I would not have been satisfied that any use had been shown of the Mark prior to the filing date of the application for the reasons that will follow in my decision.

2. Opponent's objections to some contents of Applicant's Written Submissions

[14] At the oral hearing, the Opponent took issue with the Applicant's definition of "the Opposed Mark" and of "Cadbury" or the "applicant" in its written argument. The Applicant, in its written argument, defines the Mark as the MULTI-COLOURED EGG DESIGN, and depicts the Mark's design below the definition. The Applicant also defined "Cadbury" or "the applicant" as Cadbury UK Limited. The Opponent asks that these definitions be disregarded and that a negative inference be drawn from the Applicant's definition of Cadbury or the Applicant.

[15] How the Applicant chooses to define its trade-mark or who Cadbury or the Applicant is in its written argument is not, in my view, relevant to the issues in this proceeding. A party's written argument is not evidence of anything stated in it. Therefore, all issues that deal with the identity of the Applicant or the identity of the Mark at issue will be addressed having regard to the evidence that is of record.

3. Demand letter sent from the Applicant to the Opponent on April 20, 2010

[16] At the oral hearing, the Opponent provided me with a colour photocopy of a demand letter sent from the Applicant to the Opponent on April 20, 2010. The Opponent explained that this was merely a colour copy of the same letter that comprised part of the file wrapper of this file which was attached as Exhibit 53 to the Hewitt affidavit and the Applicant did not object to me having regard to it at the oral hearing. However, in view that both the file wrapper attached

as Exhibit 53 to Ms. Hewitt's affidavit and the actual file have a black and white version of the letter, the colour copy provided to me at the oral hearing has not been made of record. Had the Opponent wanted the colour copy of this letter to be made of record, it should have filed it by way of an affidavit or statutory declaration. I will therefore only have regard to the black and white letter filed as part of Exhibit 53 to Ms. Hewitt's affidavit.

4. Evidentiary Issues

[17] The parties raised various objections to each other's evidence.

[18] The Applicant objects to the fact that Ms. Hewitt is a law clerk employed by the Opponent's firm and the Opponent objects to the fact that Mr. Penney is a searcher employed by the agents for the Applicant. The general argument is that employees are not independent witnesses giving unbiased evidence when they give opinion evidence on contested issues [*Cross-Canada Auto Body Supply (Windsor) Ltd v Hyundai Auto Canada* (2006), 53 CPR (4th) 286 (FCA) (*Cross-Canada*)].

[19] The issue therefore is whether any of the information contained in either of these affidavits comprises contentious opinion evidence of the type adduced in the *Cross-Canada* case. I shall summarize the nature of the evidence in order to assess what is admissible.

[20] Ms. Hewitt's evidence includes the following:

- Colour photocopies of confectionery products she purchased in the Greater Toronto Area having the colours red, yellow and purple on which she did not see the word CADBURY displayed [Hewitt (Red/Purple/Yellow); Exhibits 1-25]
- Colour photographs of 2 Easter confectionery displays in Brampton and North York, Ontario [Hewitt (Red/Purple/Yellow); Exhibits 26-27]
- Colour photocopies of confectionery products she purchased at stores in the Greater Toronto Area whose packaging displays the word Cadbury [Hewitt, Exhibits 1-49];

- Colour photographs of in-store displays using the word Cadbury [Hewitt, Exhibits 50 & 51]
- A Cadbury Crème Egg she purchased at a store in Toronto [Hewitt, Exhibit 52];
- Certified copies of the file histories of 5 Canadian trade-mark applications owned by the Applicant [Hewitt, Exhibits 53-57];
- Print-outs of the Industry Canada’s Federal Corporate Information website for the corporate names “Cadbury Adams Canada Inc.” and “Kraft Canada Inc.” [Hewitt, Exhibits 58 & 59];
- A print out of the Province of Ontario’s Business Names Report for the Ontario business name Cadbury Adams [Hewitt, Exhibit 60];
- Copies of the cover page, copyright page and other pages from the following books: Chocolate Wars, Candymaking in Canada and Catholic Customs and Traditions [Hewitt, Exhibits 61-63];
- Copies of pages from The New Lexicon Webster’s Encyclopedic Dictionary of the English Language showing definitions of the words “purple”, “red” and “yellow” [Hewitt, Exhibit 64];
- Print outs from various third party websites including www.kraftfoodscompany.com; www.cadbury.com; www.crivoice.org; and www.catholic.org [Hewitt, Exhibits 65-71].

[21] Mr. Penney’s evidence includes the following:

- excerpts from the *Wares and Services Manual* on the Canadian Intellectual Property Office website wherein the terms “chocolate” and “chocolate confectionery” per se are listed as acceptable terms [Penney, Exhibit A];
- reference to the fact that the Applicant is the owner of all 101 active trade-mark applications and registrations on the Canadian Trade-marks Database, with “Cadbury” in

the mark itself, in the trade-mark description or in the index heading [Penney, Exhibits B-D];

- reference to the fact that, as of December 1, 2011, the Applicant was listed as an “active” Private Limited Company on the Companies House website and all limited companies in England are registered at Companies House, which is an Executive Agency of the Department for Business, Innovation and Skills [Penney, Exhibits E-F].

[22] I have no difficulty in accepting the evidence from each party that originates with the Canadian Trade-marks Office [Hewitt, Exhibits 53-57 and Penney, Exhibits A-D]. In this regard, the information presented is essentially a reflection of existing trade-mark office records or documents. Both affiants simply attached copies of documents to their affidavit and these documents do not comprise contentious opinion evidence of the type adduced in the *Cross Canada* case [*Mr Lube Canada Inc v Denny’s Lube Centre Inc* (2008), 73 CPR (4th) 308 (TMOB)]. I also do not consider there to be any controversy concerning the copies of definitions from The New Lexicon Webster’s Encyclopedic Dictionary attached as Exhibit 64 to the Hewitt affidavit as the Board has taken judicial notice in the past of dictionary definitions and encyclopedias. I also accept the Opponent’s submission that the website print outs from Industry Canada’s Federal Corporate Information and the Province of Ontario’s Business Names Report attached as Exhibits 58-60 of the Hewitt affidavit are reliable because they come from what could be considered official websites [*ITV Technologies Inc v WIC Television Ltd* (2003), 29 CPR (4th) 182 (FCTD)].

[23] With respect to the exhibits attached as Exhibits 1-52 of the Hewitt affidavit and all of the exhibits attached to the red/purple/yellow Hewitt affidavit, I agree with the Applicant that they all regard contested issues such as the Applicant’s compliance with section 30, registrability and distinctiveness. This evidence therefore comprises contentious evidence of the type adduced in *Cross Canada* and is therefore inadmissible [*Campbell Soup Co v Fancy Pokket Corp* (2006), 56 CPR (4th) 359 (TMOB) at 363].

[24] The remaining documents attached to Ms. Hewitt’s affidavit are inadmissible hearsay. In this regard, I agree with the Applicant that the Opponent has not sufficiently explained how Exhibits 61-63 (excerpts from various books), and 65-71 (printouts of third party websites

provided to her from another trade-mark agent at her firm) to Ms. Hewitt's affidavit are both necessary and reliable [*Alpa Wood Mouldings Inc v Craftmaster Manufacturing Inc* (2007), 66 CPR (4th) 27 (TMOB) at 35-36]. Similarly, Mr. Penney has not sufficiently explained how the printouts of the Companies House website in the UK (attached as Exhibits E-F to his affidavit) are both necessary and reliable. In any case, it has previously been held that, generally, exhibits extracted from the Internet can only be relied upon as proof of the existence of the websites, not as proof of the truth of their contents [*Envirodrive Inc v 836442 Canada Inc* 2005 ABQB 446; *ITV Technologies Inc*, above].

[25] In summary, the evidence that I find is admissible in the present case and which I will have regard to includes the following:

- TMO records (Hewitt, Exhibits 53-57; Penney, Exhibits A-D);
- evidence from official websites (Hewitt, Exhibits 58-60);
- dictionary definitions for the words "purple", "yellow" and "red" (Hewitt, Exhibit 64)

5. Absence of a response in the file to an Examiner's Report

[26] As part of its evidence, the Opponent filed a certified copy of the file history for the present application. At the oral hearing, the Opponent pointed out that an Examiner's Report had issued on December 17, 2009 calling for an amended application with a more specific description of the colour (or colours) as per Section 28(2) of the Regulations. There is no response to the Examiner's Report in the file history and the application was approved in the form in which it was originally filed on January 10, 2010.

[27] At the oral hearing, the Applicant submitted that whether the Examiner's Report was responded to or not is immaterial, as the application has been approved. I agree.

[28] In any case, section 38(2)(a) makes it clear that the Trade-marks Opposition Board has the right to decide whether the requirements of section 30 have been met notwithstanding that the examiner has earlier found that the requirements were met [*Novopharm Ltd v Burroughs Wellcome Inc*, 58 CPR (3d) 513 at 520].

Onus and Material Dates

[29] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial burden on the Opponent to adduce sufficient admissible evidence from which it could reasonably be concluded that the facts alleged to support each ground of opposition exist [see *John Labatt Ltd v Molson Companies Ltd.* (1990), 30 CPR (3d) 293 (FCTD) at 298; *Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (FCA)].

[30] The material dates that apply to the grounds of opposition are as follows:

- Section 38(2)(a)/Section 30 - the filing date of the application [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB) at 475];
- Section 38(2)(b)/Sections 12(1)(b) – the filing date of the application [see *Havana Club Holdings SA v Bacardi & Co* (2004), 35 CPR (4th) 541 (TMOB); *Fiesta Barbeques Ltd v General Housewares Corp* (2003), 28 CPR (4th) 60 (FCTD)];
- Section 38(2)(b)/Section 12(1)(e) – the date of my decision [see *Canadian Olympic Assn v Allied Corp* (1989), 28 CPR (3d) 161 (FCA); and *Canadian Olympic Assn v Olympus Optical Co* (1991), 38 CPR (3d) 1 (FCA)];
- Section 38(2)(d)/non-distinctiveness - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

Grounds of Opposition

Compliance with Section 30 of the Act

Section 30(a) – Are the wares defined in ordinary commercial terms?

[31] The Opponent pleads that the application does not comply with section 30(a) of the Act in that it does not contain a statement in ordinary commercial terms of the specific wares in association with which the alleged trade-mark has been proposed to be used.

[32] The Opponent has filed no evidence nor made any argument regarding this ground of opposition. As the Opponent has failed to meet its evidential burden under this ground, this ground fails.

Section 30(e) – Did the Applicant intend to use the Mark by itself and/or through a licensee in Canada?

[33] Section 30(e) reads as follows:

An applicant for registration of a trade-mark shall file with the Registrar an application containing ... in the case of a proposed trade-mark, a statement that the applicant, by itself or through a licensee, or by itself and through a licensee, intends to use the trade-mark in Canada.

[34] Based on the evidence filed by the Opponent in the Hewitt affidavit regarding the amalgamation of Cadbury Adams Canada Inc. into Kraft Canada Inc. on December 26, 2010, and the acquisition of Cadbury plc by Kraft Foods Inc. on February 2, 2010, it appears that the Opponent is attempting to demonstrate that, if any entity intends to use the Mark, it would be Kraft Foods Inc. and not the Applicant, Cadbury UK Limited.

[35] As noted above, the relevant date for this ground is the filing date of the application (i.e. July 30, 2009). In view that the amalgamation and acquisition/combination referred to in the Opponent's evidence both took place in 2010, which was subsequent to the relevant date for this ground, I am not satisfied that the Opponent has met its evidential burden under this ground. This ground therefore is not successful.

Section 30(i) – Is the Applicant the person entitled to use the Mark in Canada?

[36] Where an applicant has provided the statement required by section 30(i), a section 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant, which is not the case here [see *Sapodilla Co v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB) at 155]. The section 30(i) ground is therefore dismissed.

Section 30(h) – Does the application contain an accurate representation of the alleged trade-mark?

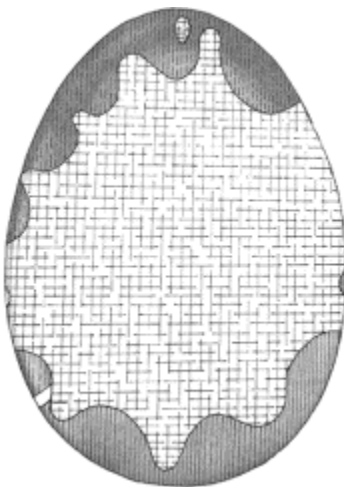
[37] Recently, in *JTI Macdonald TM Corp v Imperial Tobacco Products Limited*, 2013 FC 608 (*JTI*), the requirements of section 30(h) of the Act were set out as follows at para. 40:

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 [see *Apotex Inc v Searle Canada Inc* (2000), 6 CPR (4th) 26 at para. 7]. This drawing must be a meaningful representation of the design and must allow a reader to determine the limits of the trade-mark.

[38] Section 28(1) of the Regulations stipulates that where the applicant claims a colour as a feature of the trade-mark, the colour shall be described. Section 28(2) of the Regulations further stipulates that where the description referred to in subsection (1) is not clear, the Registrar may require the applicant to file a drawing lined for colour in accordance with the colour chart shown in the Regulations.

[39] In the present case, the application for the Mark includes both a colour claim and a drawing which is lined for color. Both are reproduced below:

TRADE-MARK:



COLOUR CLAIM:

“Colour is claimed as a feature of the trade-mark...The drawing is lined for colour, namely purple on the top, yellow in the middle and red at the bottom”.

[40] The Applicant has formally complied with the provisions of section 30(h) of the Act in that it has provided both a colour claim and a drawing of the trade-mark. For the reasons that follow, I am satisfied that the drawing provided by the Applicant is a meaningful representation of the trade-mark in the context of the written description which is provided in the colour claim in the application.

[41] Upon considering the submissions made by the Opponent at the oral hearing and upon reviewing both the colour claim and the drawing in the application, I make the following observations:

- Near the top of the trade-mark, there is a tiny drop which appears to be lined for the colour yellow, which is not referred to in the colour claim;
- On the lower left side of the trade-mark, there is a white trapezoid shape which is not referred to in the colour claim;
- Above the white trapezoid shape, on the lower left side of the trade-mark, there is a small area which appears to be lined for purple. However, the colour claim states that the drawing is lined for red at the “bottom” and in fact, the drawing appears to be lined for red at the same location on the right side of the trade-mark;
- There is a first semi-circular indentation on the left side of the trade-mark approaching what might be considered to be the “middle”, which is not referred to in the colour claim. I am not able to determine whether it has been lined for colour; and
- A similar, but slightly larger second semi-circular indentation appears across from the first indentation on the right side of the trade-mark. It seems likely that it has been lined for either red or purple, but I am unable to determine this with any degree of certainty and it has not been referred to in the colour claim.

[42] In view of how the drawing has been lined for colour, it is somewhat unclear what is meant by the “top”, “middle” and “bottom” of the trade-mark as referred to in the colour claim. That being said, in view of the rather broad language which has been used in the colour claim, it is arguably not inconsistent with what is shown in the drawings, as the specified colours do, at the very least, appear at the most top, bottom and middle parts of the mark. Accordingly, I do not think that this aspect of the drawing is, in and of itself, necessarily fatal to the applicant.

[43] Likewise, although it would have been preferable if the Applicant had described all of the features which are shown in the drawing in the colour claim, I am not concerned that it has not done so, as section 28(2) of the Regulations clearly provides that where a colour claim is not clear, a drawing lined for colour may be relied upon.

[44] The only aspect of the drawing that is not entirely clear are the two semi-circular indentations. It is not possible to ascertain which colours, if any, the two semi-circular indentations have been lined for and there is nothing in the written description which can assist with this.

[45] In considering the section 30(h) ground of opposition in the *JTI* decision above, Justice Snider stated the following at paras. 46-47:

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.

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)).

[46] In the present case, I am satisfied that the drawing which has been included in the application can be said to be a meaningful representation of the Mark in the context of the written description in the application.

[47] While not all of the features of the Mark have been adequately lined so as to enable a member of the public to ascertain precisely what is being claimed in terms of colour, I consider all of the observations set out above in paragraphs 41 and 42 to be **minor** discrepancies that are not significant inaccuracies. Together, the drawing and the written description provided in the colour claim allow the reader to determine the limits of the Mark and its dominant features.

[48] Accordingly, I find that the Applicant has met the onus upon it to demonstrate its compliance with section 30(h) of the Act and this ground of opposition fails.

Is the Mark Registrable?

Sections 10 and 12(1)(e) – Whether the Mark has by ordinary and bona fide commercial usage become recognized in Canada as designating the kind and quality of the applied for wares

[49] The Opponent pleads that the Mark is not registrable because, by ordinary and bona fide commercial usage, it has become recognized in Canada as designating the kind and quality of the applied for wares.

[50] Most of Ms. Hewitt's evidence regarding this issue has been found inadmissible. Even if it were considered, however, this ground would not succeed for the following reasons.

[51] The Applicant does not dispute that there are egg-shaped confectionery products in the marketplace, nor does it dispute that there are confectionery products which feature the colours purple, yellow and/or red [Applicant's written argument, para. 91]. As the Applicant also points out, however, the Mark comprises a two dimensional egg design with a distinctive colour pattern. None of the photographs of confectionery products attached as Exhibits 1-27 of the Hewitt affidavit, feature the colours purple, red and/or yellow in the same or similar configuration as these colours are featured in the proposed Mark. The only evidence showing a photograph of a two dimensional egg design with a similar colour configuration as the Mark used in association with chocolate confectionery products are those of two Cadbury Easter egg displays [Hewitt, Exhibits 50 and 51]. In my view, evidence of two displays would not have been sufficient to show that the Mark had become recognized in Canada as designating the kind and quality of the applied for wares.

[52] As the Opponent has not furnished any evidence to show that the Applicant's two dimensional egg design with its distinctive colour claim as a whole has become recognized in Canada as designating the kind, quality or place of origin of the Applicant's wares with the scope of section 10 of the Act, the Opponent has failed to meet its evidential burden under this ground. This ground is therefore unsuccessful.

Is the Mark a Distinguishing Guise?

[53] The Opponent has pleaded that the Mark is a distinguishing guise. The Opponent further pleads that if the Mark is a distinguishing guise, it is not registrable pursuant to section 13 of the Act in that, at the date of filing, it had not been so used in Canada by the Applicant as to have become distinctive.

[54] Distinguishing guises are defined in section 2 of the Act as: a) a shaping of wares or their containers; or b) a mode of wrapping or packaging of the wares.

[55] The Opponent's argument, as I understand it, is that the Applicant has been using the Mark as its coloured foil packaging for its Cadbury Creme Egg for over thirty years. The Opponent submits that since the Mark is a mode of wrapping or packaging of the wares, it is a distinguishing guise.

[56] The evidence the Opponent relies on in support of this argument may be summarized as follows:

- In a letter to the Opponent dated April 20, 2010, the Applicant states that it has sold egg shaped filled chocolates in Canada for more than 35 years in a distinctive coloured foil wrapper [Hewitt, p. 235];
- In the same letter, the Applicant demands that the Opponent cease manufacturing, among other things, any packaging or wrapping for egg-shaped confectionery that displays any two of the following colour combinations – red, yellow, blue, green and purple, which characteristics were referred to as “the CADBURY EGG features” [Hewitt, p. 236];

- The Applicant refers to the Cadbury Creme Egg displayed on Schedule A attached to the demand letter as a “package” [Hewitt, p. 236];
- Labels used by the Applicant in association with other egg shaped chocolate confectioneries also comprise the packaging for the wares [Hewitt, Exhibits 34, 41];
- The Applicant’s Cadbury Creme Egg label is a wrapper and therefore functions as the shaping of the wares [Hewitt, p.237 and Exhibit 40 and 52].

[57] I agree with the Opponent that some of the evidence does show chocolate eggs wrapped in a coloured foil wrapper that has similar features and colours as the Mark. I have already ruled, however, that the wording used by the Applicant in its description of the Mark, along with the drawings illustrated in the application (deficiencies aside), have convinced me that the monopoly being sought is for a two dimensional design mark with a distinctive colour pattern, i.e. purple on top, yellow in the middle and red at the bottom. Exhibit 48 of the Hewitt affidavit, although not admissible as evidence, can still be referred to as an example to illustrate how a two dimensional mark with similar features and colours as the Mark (although in a reverse order with red on top, yellow in the middle and purple at the bottom) can be used on packaging without being a distinguishing guise. I therefore do not find that the Mark is a distinguishing guise and each of the grounds that rely on this argument fail.

Is the Mark clearly descriptive or deceptively misdescriptive of the character or quality of the wares?

[58] In its statement of opposition, the Opponent pleads this ground of opposition as follows:

The Applicant’s alleged trade-mark is not registrable pursuant to Section 12(1)(b) of the Act in that as depicted it is clearly descriptive and/or deceptively misdescriptive of the character or quality of the wares in association with which it is proposed to be used.

[59] As noted above, the Federal Court of Appeal directed us in *Novopharm*, above, to consider the evidence in conjunction with the pleadings when assessing the case that the

Applicant has to meet. This decision also held, however, that grounds of opposition must be set out in sufficient detail to enable the Applicant to reply to them [see section 38(3) of the Act].

[60] In my view, this ground, as pleaded, is merely a reproduction of the statutory wording of section 12(1)(b). As such, it does not contain sufficient material facts to enable the Applicant to reply to it. Further, there is no admissible evidence that cures the deficiency in the pleading.

[61] This ground is accordingly dismissed.

Is the Mark capable of distinguishing the wares of the Applicant from those of others?

[62] The Opponent has pleaded three main arguments under this ground of opposition. In view that I have already decided that the Mark is not a distinguishing guise, I will only address the following two arguments:

- in view that the Applicant always marks its wares with the trade-mark CADBURY, the colour and shape of the alleged Mark do not and cannot distinguish the wares of the Applicant;
- the Applicant has permitted third parties to use the alleged Mark such that the Mark is not distinctive contrary to section 50 of the Act.

[63] The onus or legal burden is on the Applicant under this ground is to show that the Mark is adapted to distinguish or actually distinguishes its wares from those of others throughout Canada [*Muffin Houses Inc v Muffin House Bakery Ltd* (1985), 4 CPR (3d) 272 (TMOB)]. First, however, there is an evidential burden on the Opponent to prove the allegations of fact in support of its ground of non-distinctiveness.

[64] In order to meet its evidential burden under its second argument, the Opponent must establish that two dimensional egg shaped trade marks with the colours red, yellow and purple had been used or made known in association with chocolate confectionery products by third parties to such an extent and in such a manner that they had become known sufficiently to negate the distinctiveness of the Mark [*Motel 6 Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (Fed. T.D.) at p. 58; *Re Andres Wines Ltd and E & J Gallo Winery* (1975), 25 CPR (2d) 126 at 130

(FCA); and *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 412 at 424 (FCA)]. To put another way, the Opponent needs to show that two dimensional egg designs with the colours red, yellow and purple were common in the confectionery trade as of the material date [*Novopharm Ltd v Astra AB* (2004), 36 CPR (4th) 158 (TMOB) at 174].

[65] As previously noted, all of the exhibits attached to the red/purple/yellow affidavit of Ms. Hewitt have been found inadmissible. Even if I could consider these exhibits, none of the photographs of the confectionery products feature the colours purple, red and/or yellow in the same or similar configuration as these colours are featured in the proposed Mark.

[66] The only evidence showing a photograph of a two dimensional egg design with the colours purple, red and yellow in the same or similar configuration as these colours are featured in the proposed Mark used in connection with chocolate confectionery products are those of two Cadbury Easter egg displays attached as Exhibits 50-51 of the first Hewitt affidavit. These exhibits, however, have been found inadmissible. Even if they had been admissible, however, I note that the photographs were taken on February 17, 2011, which is subsequent to the material date for this ground. Further, the displays appear to be those of the Applicant as opposed to a third party.

[67] In view of the above, I am not satisfied that the Opponent has met its evidential burden with respect to its second argument under this ground.

[68] The Opponent's first argument under this ground, as I understand it, is that in view of the evidence which shows that the Applicant consistently uses the word CADBURY on all of its confectionery wares, the Mark (being comprised only of colour and shape) would not be able to distinguish the Applicant's wares from those of others because it does not include the word CADBURY. Once again, as noted above, the evidence of the Applicant's use of the word CADBURY on its confectionery wares is inadmissible. Even if it were admissible, however, I note that it has previously been held by the Federal Court that colour alone is an acceptable trade-mark [*JTI*, above and *Simpson Strong-Tie Co v Peak Innovations Inc*, 79 CPR (4th) 79 (FC)]. I therefore find that the argument that colour and shape alone cannot distinguish the Applicant's wares from those of others lacks merit. I further note that there is nothing that prevents the Applicant from using two trade-marks (i.e. CADBURY and the Mark) at the same

time [see *AW Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD)]. I am therefore not satisfied that the Opponent has met its evidential burden with respect to the first argument under this ground.

[69] In view of the above, this ground fails.

Disposition

[70] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(8) of the Act.

Cindy R. Folz
Member,
Trade-marks Opposition Board
Canadian Intellectual Property Office