

IN THE MATTER OF AN OPPOSITION by Thomas J. Lipton Inc.
to application No. 536,680 for the trade-mark DELI FLAVOUR filed
by Fletcher's Fine Foods Ltd.

On February 14, 1985, the applicant, Fletcher's Fine Foods Ltd., filed an application to register the trade-mark DELI FLAVOUR based upon proposed use of the trade-mark in Canada in association with "processed meat products, processed poultry products, baked products, namely meat pies, pastries, sausage rolls, chicken pies, beef pies, cornish pastries, melton mowbray pies, tortieres; prepared entrees, salads, pates, sauces, dressings and pickles". The applicant disclaimed the right to the exclusive use of the word DELI apart from its trade-mark. The applicant's application was advertised for opposition purposes in the Trade-marks Journal on December 9, 1987.

On April 8, 1988, the opponent, Thomas J. Lipton Inc., filed a statement of opposition in which it alleged that the applicant's application is not in compliance with Section 29(b) (now Section 30(b)) of the Trade-marks Act and that the statement that the applicant intends to use the trade-mark in Canada is false, contrary to Section 29(e) (now Section 30(e)) of the Act. In support of these grounds, the opponent alleged that the applicant have commenced to use a trade-mark shown in the statement of opposition, and as set out below, which is composed of the words FLETCHER'S DELI FLAVOUR in a design form which is not the trade-mark DELI FLAVOUR as stated to be intended to be used by the applicant.

As its second ground, the opponent alleged that the applicant's trade-mark is not registrable because, at the filing date of the application, the trade-mark DELI FLAVOUR was either clearly descriptive or deceptively misdescriptive of a character or quality of the wares in association with which it is proposed to be used, contrary to Section 12(1)(b) of the Trade-marks Act. In support of this ground, the opponent alleged that the word DELI has been admitted by the applicant to be clearly descriptive and the word FLAVOUR clearly describes a character or quality of the wares.

As its third ground of opposition, the opponent has alleged that the applicant's trade-mark "embodies a characteristic common to a series of trade-marks owned and registered by the opponent in Canada" and "is therefore likely to cause confusion contrary to section 12(1)(d) of the Act". The trade-marks identified by the opponent in respect of this ground are the following:

<u>Trade-mark</u>	<u>Regn. No.</u>	<u>Wares</u>
DELI-BAKE	257,587	Meat & vegetable pies
DELI-FRESH	269,442	Processed meats & salads
DELI-GOLD	304,868	Processed meats
DELI-LEAN	250,737	Ham, processed meats and prepared salads
DELI-STIK	303,839	Meat containing snack food in chunk form
DELI-TRIM	320,202	Processed meats, salads, frozen meats & vegetables

The fourth ground is that the applicant is not the person entitled to registration because the applicant's trade-mark "embodied a common characteristic of a series of trade marks registered, used or applied for by the opponent prior to the filing of Application Serial No. 536,680 and was therefore confusing therewith". The following are the trade-marks identified by the opponent in respect of this ground:

<u>Trade-mark</u>	<u>Regn. No.</u>	<u>Wares</u>
DELI-BAKE	257,587	Meat & vegetable pies
DELI-FRESH	269,442	Processed meats & salads
DELI-GOLD	304,868	Processed meats
DELI-LEAN	250,737	Ham, processed meats and prepared salads
DELI-STIK	303,839	Meat containing snack food in chunk form

As its final ground, the opponent has alleged that the applicant's trade-mark DELI FLAVOUR is not distinctive in that it does not actually distinguish the applicant's wares from the wares of others nor is it adapted so to distinguish them including, in particular, the wares of the opponent which it sells in association with its series or family of marks DELI-BAKE, DELI-FRESH, DELI-GOLD, DELI-LEAN, DELI-STIK, DELI-TRIM, BATON-DELI, DELI-SNACK, DELI-SMOKIES, DELI-RINGS and DELI-SELECT.

The opponent requested and was granted leave pursuant to Rule 42 of the Trade-marks Regulations to amend its statement of opposition in order to include an additional ground of

opposition relating to the alleged non-distinctiveness of the applicant's trade-mark. In particular, the opponent asserted that the trade-mark DELI FLAVOUR is not distinctive of the applicant's wares nor is it adapted to distinguish them because at all material times, processed meat products have been sold, distributed, and advertised in Canada in association with the words DELI FLAVOUR as both a trade-mark and a trade-name by different persons, namely, FLETCHER'S DELI FLAVOUR SMOKEHOUSE HAM, TURKEY BREAST, CORNED BEEF and BLACK FOREST HAM which have been sold, distributed and advertised in Canada by Fletcher's Fine Foods Ltd., Vancouver, and CONTINENTAL DELI FLAVOR processed meats have been sold, advertised and distributed in Canada by Deli Flavor Foods Ltd. of Edmonton, Alberta, contrary to Section 2 of the Trade-marks Act.

The applicant filed a revised counter statement in which it denied the opponent's grounds of opposition.

The opponent was granted leave under Rule 46(1) of the Trade-marks Regulations to file as evidence the affidavit of Bruce I. Mactaggart. The applicant submitted as its evidence the affidavits of Bob Seeman, John McKinlay, Marguerite Ethier and Linda Thibeault. The applicant requested and was also granted leave pursuant to Rule 46(1) to file as further evidence the affidavit of William G. Gooderham. Mr. Gooderham was cross-examined on his affidavit by way of written interrogatories, the responses to which form part of the opposition record.

Both parties submitted written arguments and both were represented at an oral hearing.

The first ground is based on Section 30(e) of the Trade-marks Act, the opponent alleging that the applicant's claim in its trade-mark application that it intends to use the trade-mark DELI FLAVOUR in Canada is false in that the applicant, subsequent to filing its trade-mark application, commenced use of a trade-mark composed of the words FLETCHER'S DELI FLAVOUR in a design form which is not the trade-mark sought to be registered. The material date in respect of a Section 30 ground of opposition is the filing date of the applicant's application. Further, while there is an initial evidential burden on the opponent in respect of a Section 30 ground, the legal burden is upon the applicant to show that its application complies with Section 30 of the Act.

The use by the applicant which has been relied upon by the opponent is shown above and is not, in my opinion, inconsistent with its intention expressed in its trade-mark application to use the trade-mark DELI FLAVOUR. While the words DELI FLAVOUR appear as part of an overall design

which includes the word FLETCHER'S, the words DELI FLAVOUR appear in identical block lettering which differs from the style and size of lettering of the word Fletcher's. As such, the words DELI FLAVOUR would be perceived as being used by the applicant an independent trade-mark apart from the word Fletcher's and separate and apart from the remainder of the label design. I therefore reject the first ground of opposition.

The opponent's second ground is founded on the allegation that the applicant's trade-mark DELI FLAVOUR is either clearly descriptive or deceptively misdescriptive of the character or quality of the wares covered in the applicant's application and is therefore not registrable in view of the provisions of Section 12(1)(b) of the Trade-marks Act. The issue as to whether the applicant's trade-mark DELI FLAVOUR is clearly descriptive of the applicant's wares must be considered from the point of view of the average consumer or user of those wares. Further, in determining whether the trade-mark DELI FLAVOUR is clearly descriptive of the character or quality of the wares associated with it, the trade-mark DELI FLAVOUR must not be dissected into its component elements and carefully analyzed, but rather must be considered in its entirety as a matter of immediate impression (see Wool Bureau of Canada Ltd. v. Registrar of Trade Marks, 40 C.P.R. (2d) 25, at pgs. 27-28 and Atlantic Promotions Inc. v. Registrar of Trade Marks, 2 C.P.R. (3d) 183, at pg. 186).

The relevant date for considering the ground of opposition based on Section 12(1)(b) is as of the date of decision (see, in this regard, the recent decision of the Federal Court of Appeal in Lubrication Engineers, Inc. v. The Canadian Council of Professional Engineers, 41 C.P.R. (3d) 243). Further, while the legal burden is on the applicant to establish the registrability of its trade-mark, there is an evidential burden on the opponent in respect of this ground of opposition to adduce sufficient evidence which, if believed, would support the truth of the allegations set forth in the statement of opposition relating to the alleged non-registrability of the trade-mark DELI FLAVOUR.

In its written argument, the opponent submitted that the applicant's trade-mark is clearly descriptive of the character of the applicant's processed meat products in that, as a matter of first impression, the ordinary consumer "could only conclude that DELI FLAVOUR processed meat products" are a "Delicatessen food product" and "having the flavour of such". In support of its position, the opponent noted that the word DELI is clearly descriptive, having regard to the decision of the then Registrar of Trade-marks in the matter of an application for registration of the trade-mark DELI-LIGHT DELI LEGER (application serial No. 481,804, dated January 19, 1984), and the word DELI has been disclaimed by the applicant apart from its trade-mark. Further, the opponent also

pointed out that the word "flavor" is defined in Webster's Third New International Dictionary as "... that quality of something which affects the sense of taste or gratifies the pallet...".

I agree with the opponent that the word DELI is, if not clearly descriptive of the character of prepared meat products, at least not distinctive in relation to such wares. This is confirmed by the applicant's disclaimer of the right to the exclusive use of the word DELI apart from its trade-mark. As well, the applicant's own evidence supports the conclusion that the word DELI is not distinctive in relation to prepared meats. However, little evidence has been furnished by the opponent that the word FLAVOUR conveys any descriptive significance that one would associate with a deli or delicatessen. As a result, I have concluded that the opponent has failed to meet the evidential burden upon it of showing that the applicant's trade-mark DELI FLAVOUR has a combined meaning which might be apparent to the average consumer as a matter of immediate impression from the meaning of the independent components DELI and FLAVOUR. Further, no evidence has been adduced by the opponent to support its allegation that the trade-mark DELI FLAVOUR is deceptively misdescriptive of the applicant's wares. I have therefore rejected the opponent's second ground.

The opponent's third ground is based on its alleged existence of a family or series of trade-marks owned and registered by it. The concept of considering the issue of confusion other than by way of a mark by mark comparison as contemplated by the Trade-marks Act arose in McDonald's Corporation et al v. Yogi Yogurt Ltd. et al., 66 C.P.R. (2d) 101. In that case, Cattnach, J. stated that the presumption of the existence of a series of trade-marks arises when trade-marks which have common characteristics are registered in the name of one owner and are used by the one owner. In such a case, the learned trial judge noted that the "registration of such marks is tantamount to a single registration combined of those several marks". Further, Mr. Justice Cattnach goes on to state at pages 112-113:

"By that I mean that a mark which would be confusing with the registered marks is not confusing with those marks if the applicant therefor is the owner of all such trade marks. This well-known principle is recognized and perpetuated in s-s. 15(1) of the Act and which identifies such marks as "associated trade marks".

An application for a trade mark made by an applicant other than the registered owner of those trade marks which embodies the common characteristics thereof would be conflicting therewith and should be refused. That consideration does not apply when the applicant is the owner of the series and wishes to add to the series.

The fact of the registration of trade marks giving rise to the presumption of a series of marks existing is a most material consideration which the Registrar of Trade Marks must take into account upon an application for the registration of a mark embodying the common characteristics."

and at page 113:

"The reason for the presumption of there being a series of trade marks is clear.

When application for registration of a mark is made a search of the register is conducted. That search may disclose several marks having the same characteristic features in common with those in the mark applied for and which marks stand in the name of one owner or they may stand in the name of different proprietors.

As previously indicated if the former is the case the logical presumption is that the owner is using a series of marks. If the marks are registered it must also be presumed, in the absence of evidence to the contrary, that as at the date of the registration the owner was using those marks.

If the marks are owned by several different owners then the common characteristic is one well recognized in marks in use in the trade and is common thereto."

Also, at page 114, the learned trial judge notes:

"While the presumption of a series of trade marks can arise at the time of an application for the registration of a trade mark with the consequence indicated the same presumption does not arise in opposition proceedings. Before any similar inference as would arise from the presumption can arise in opposition proceedings based upon the use of the other marks any such use must be established by evidence.

The question therefore is whether the appellants have discharged the onus cast upon them of establishing the existence of a series of marks owned by the corporate appellant with which the application by the corporate respondent for the registration of the trade mark MCYOGURT may conflict. That is to be discharged by the establishment of the use of the trade marks sufficient to constitute a family."

The concept of a series of trade-marks being considered as a single registration when assessing confusion differs from the situation where an opponent, in alleging a likelihood of confusion between one of its trade-marks and an applicant's mark, relies upon a group of its trade-marks each having an element common to the two trade-marks at issue. In such a case, the opponent could allege that its group of marks as registered and/or used constitutes a further surrounding circumstance under subsection 6(5) of the Act which supports its position in so far as there being a likelihood of confusion between its mark and the applicant's trade-mark. On the other hand, the applicant could rely upon the existence of third party registrations or use by third parties of trade-marks incorporating the common element in arguing that there would be little likelihood of confusion between the trade-marks at issue. It is, however, the issue of confusion with its series of trade-marks as contemplated by Cattanach, J. which has been pleaded by the opponent as its third and fourth grounds of opposition.

The opponent has furnished evidence of the existence of an alleged series or family of trade-marks including the element DELI as applied to, inter alia, processed meats, salads, and meat & vegetable pies. As pointed out by Cattanach, J., there is an onus on a party seeking to rely upon the presumption of the existence of an alleged series of trade-marks to establish that it is the only person who has registered and used the trade-marks which incorporate the common characteristic of the series. On the other hand, and as pointed out by the learned trial judge, the presumption of the existence of a series or family of mark is rebuttable if the applicant can establish the registration and

use of other trade-marks standing in the name of other persons whose marks share the element or elements common to the trade-marks comprising the alleged series of marks relied upon by the opponent.

In the present case, the Mactaggart affidavit evidences the existence of registrations for the trade-marks DELI-BAKE, DELI-GOLD, DELI-LEAN, DELI-STIK and DELI-TRIM, together with evidence of significant use and advertising of these marks in the marketplace. On the other hand, the Seeman and Ethier affidavits evidence the sale of the following: MAPLE LEAF DELI STYLE meat products and Deli garlic spread; EL MOLINO DELI NACHO CHIPS; VENICE'S DELI French rolls; BURNS DELI meat products; Olafson's Deli Style Tortilla Chips; Canada Safeway Deli "FRESH" PIZZA, Deli salad, Deli Parmesan cheese and Deli bread rolls; Old Country Deli Club rolls; YVES TOFU DELI Slices, J.M.'S DELI BEST salami, TOWN CLUB Deli-Smoked Bacon and DELI SHOPPE DELI DOG. I would also note that seven of these food products include a mark or description comprising DELI in combination with another term such as BEST, Smoked, Slices, "FRESH", STYLE or DOG. As a result, I have concluded that the applicant's evidence rebuts the existence of any series or family of trade-marks standing in the name of the opponent. Indeed, the applicant's evidence confirms the non-distinctiveness of the word DELI as applied to food products in the marketplace. I have therefore rejected this ground of opposition.

The fourth ground is also based on the opponent's alleged existence of a family of marks but in relation to the applicant's entitlement to registration of the trade-mark DELI FLAVOUR. Unlike the previous ground, the material date in respect of the Section 16(3) ground of opposition is as of the filing date of the applicant's proposed use trade-mark application (February 14, 1985). As the applicant's filing date predates the Ethier and Seeman affidavits by more than four years, the weight which can be accorded those affidavits is diminished in so far as rebutting the presumption of the existence of a series of DELI trade-marks. However, in view of the provisions of Section 54(1) of the Trade-marks Act, the certified copies of registrations annexed to the Thibeault affidavit do constitute some evidence of use of the trade-marks on the register as of the applicant's filing date, including the registered marks DELI GOURMET, DAN-DAN'S DELI STYLE, HOME DELI, MINI-DELI and MAPLE LEAF DELI Design. As such, I consider the applicant's evidence is sufficient to rebut any presumption of the existence of a family of DELI trade-mark standing in the name of the opponent. Accordingly, I have rejected the opponent's fourth ground of opposition.

The opponent has not relied upon any facts in respect of its fifth ground beyond those alleged in its other grounds and, in particular, its fourth ground of opposition which I have rejected. I

therefore dismiss the opponent's fifth ground of opposition.

The final ground of opposition is that set forth in the opponent's amended statement of opposition, the opponent alleging that the applicant's trade-mark DELI FLAVOUR is not distinctive of the applicant's wares nor is it adapted to distinguish them because at all material times, processed meat products have been sold, distributed, and advertised in Canada in association with the words DELI FLAVOUR as both a trade-mark and a trade-name by different persons, namely, FLETCHER'S DELI FLAVOUR SMOKEHOUSE HAM, TURKEY BREAST, CORNED BEEF and BLACK FOREST HAM which have been sold, distributed and advertised in Canada by Fletcher's Fine Foods Ltd., Vancouver, and CONTINENTAL DELI FLAVOR processed meats have been sold, advertised and distributed in Canada by Deli Flavor Foods Ltd. of Edmonton, Alberta, contrary to Section 2 of the Trade-marks Act.

The material date in respect of the final ground is the date of opposition, that is, the date of filing of the original statement of opposition (April 8, 1988) even though this ground was not pleaded in the original statement. That being the case, the opponent's evidence relating to purchases made by employees of the opponent on or about July 28, 1988 occurred subsequent to the material date in respect of this ground. Further, the purchases referred to in the Mactaggart affidavit occurred subsequent to filing on May 16, 1988 of an application to appoint Deli Flavor Foods Ltd. as a registered user of the trade-mark DELI FLAVOUR. In view of the decision of the Federal Court Trial Division in Imperial Developments Ltd. v. Imperial Oil Limited, 79 C.P.R. (2d) 12, use by a proposed registered user does not result in a loss of distinctiveness of a trade-mark.

The opponent also sought to rely upon use of the trade-name Del Flavor Foods Ltd. in challenging the distinctiveness of the applicant's trade-mark. The Mactaggart affidavit establishes that Deli Flavor Foods Ltd. was incorporated as 367181 Alberta Ltd. on June 2, 1987 and changed its name to Deli Farm Foods Limited and then to Deli Flavor Foods Ltd. on December 4, 1987. Further, Mr Mactaggart states that Deli Flavor Foods Ltd. was registered as an extra-provincial company in British Columbia on January 7, 1988. In his affidavit, Mr. Gooderham states that the applicant purchased all the assets of Deli Farm Foods Limited on September 14, 1987.

As pointed out by the opponent's agent, any use of the trade-name Deli Flavor Foods Ltd. does not accrue to the applicant and the existence of the registered user application is of no assistance to the applicant in respect of this issue. While it may be that there was use of the trade-name Deli Flavor Foods Ltd. in Canada subsequent to its change of name in December of 1987 and

the date of opposition on April 8, 1988, absent any evidence of such use, I cannot conclude that the opponent has met the evidential burden upon it in respect of this ground of opposition. I have therefore rejected the final ground of opposition.

I reject the opponent's opposition pursuant to Section 38(8) of the Trade-marks Act.

DATED AT HULL, QUEBEC, THIS 31st DAY OF JULY 1992.

G.W.Partington,
Chairman,
Trade Marks Opposition Board.