

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

> Citation: 2010 TMOB 56 Date of Decision: 2010-04-29

IN THE MATTER OF AN OPPOSITION by Muti-Marques Inc. to application No. 1,128,833 for the trade-mark GREAT HARVEST BREAD CO. in the name of Great Harvest Franchising, Inc.

[1] On January 23, 2002 Great Harvest Franchising, Inc. (the Applicant) filed an application to register the trade-mark GREAT HARVEST BREAD CO. (the Mark) application number 1,128,833 on the basis of proposed use in Canada in association with bakery goods, namely bread, cookies, muffins and cinnamon rolls (the Wares) and the operation and franchising of retail bakery shops (the Services). The right to the exclusive use of the terms GREAT and BREAD CO. has been disclaimed apart from the trade-mark.

[2] The application was advertised on February 11, 2004 in the Trade-marks Journal for opposition purposes. Multi-Marques Inc. (the Opponent) filed a statement of opposition on April 8, 2004 which was forwarded by the Registrar on May 25, 2004 to the Applicant. The Applicant filed on September 24, 2004 a counter statement essentially denying all grounds of opposition and adding some argumentative statements.

[3] The Opponent filed as its evidence the affidavit of Jean-Pierre Galardo while the Applicant filed the affidavits of Rick Leswick, Lisa Saltzman and J. Micheal Ferretti. Only the Applicant filed a written argument and there was no oral hearing.

The Grounds of Opposition

[4] The grounds of opposition pleaded are:

- 1. The application does not comply with the requirements of s. 30(e) of the *Trade-marks Act*, R.S.C. 1985 c. T-13 (the Act) in that the Mark is not really a proposed trade-mark;
- 2. The application does not comply with the requirements of s. 30(i) of the Act in that the Applicant could not declare itself satisfied and still cannot make the statement required under s. 30(i) as it could not and still cannot be satisfied that it is entitled to use the Mark in Canada in association with the Wares as at the filing date of the application, the Applicant was aware of the Opponent's use since December 1985 of its trade-mark PAIN DE LA MOISSON;
- 3. The Applicant is not the person entitled to the registration of the Mark pursuant to s. 16(3)(a) of the Act since at the filing date of the application, the Mark was confusing with at least one of the trade-marks previously used in Canada by the Opponent, and more particularly PAIN DE LA MOISSON used in Canada since December 1985 by the Opponent and its predecessors in title in association with bread;
- 4. The Applicant is not the person entitled to the registration of the Mark pursuant to s. 16(3)(b) of the Act since at the filing date of the application, the Mark was confusing with at least one trade-mark, namely PAIN DE LA MOISSON, for which an application was previously filed by the Opponent in Canada on November 23, 1999 under serial number 1,037,303;
- 5. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Mark is not distinctive since the Mark cannot actually distinguish and is not adapted to distinguish the Wares and Services of the Applicant from the wares or services of others, and in particular those of the Opponent in association with which the latter has used and is still using the trade-mark PAIN DE LA MOISSON in Canada.

Burden of Proof in Trade-marks Opposition Proceedings

[5] The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial evidential onus 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. Once this initial onus is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company* [2005] F.C. 722].

7Grounds of Opposition that Can Be Summarily Dismissed

[6] There is no evidence filed by the Opponent to meet its initial onus with respect to the first ground of opposition. There is no evidence in the record that would suggest that the Mark was in use prior to the filing of the application. The first ground of opposition is therefore dismissed.

[7] All that is required from an applicant under s. 30(i) of the Act is to provide a statement that it is satisfied that it is entitled to use the trade-mark applied for in Canada in association with the wares and services described in the application. The application filed does contain such statement. Even if the Applicant was aware of the Opponent's use in Canada of the trade-mark PAIN DE LA MOISSON, it did not prevent the Applicant from making in good faith the statement required. A s. 30(i) ground of opposition should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 at 155]. Therefore the second ground of opposition is dismissed.

Ground of Opposition Based on s. 16(3)(b) of the Act

[8] In order to meet its initial onus under this ground of opposition the Opponent has to prove that it owns a previously filed application and that it was still pending when the present application was advertised [see 16(3) and (4) of the Act].

[9] Mr. Galardo is the Marketing Director for the Opponent and has been employed by it since 1991. He alleges in his affidavit that the Opponent is the owner of application number 1,037,303 for the trade-mark PAIN DE LA MOISSON. However he has not annexed to his affidavit a certify copy of such application or an extract of the register.

[10] The Registrar has discretion to verify the register in order to determine if in fact the Opponent was the owner of the application cited in its statement of opposition and if it was pending at the advertisement date [see *Groupe Desjardins, Assurances Générales v. Investors Syndicate Ltd.* (1993), 49 C.P.R. (3d) 412].

[11] I checked the register and confirm that application 1,037,303 was filed by the Opponent on November 23, 1999 and was still pending on February 11, 2004. However it was declared

abandoned on October 30, 2009. Should this fact be taken into consideration? The Federal Court in *ConAgra Inc. v. McCain Foods Limited* (2001), 14 C.P.R. (4th) 288 held that such turn of event should not be considered as a relevant surrounding circumstance when assessing a ground of opposition based on s. 16(3)(b) of the Act.

[12] The Applicant argues in its written submissions that an opponent raising a ground of opposition under s. 16(3)(b) must establish prior use of the trade-mark covered by its pending application. With all due respect I disagree. The Opponent has raised two different grounds of opposition based on s. 16(3) of the Act: prior use of its trade-mark PAIN DE LA MOISSON covered by s. 16(3)(a) of the Act and prior filing of an application for the registration of that trade-mark under s. 16(3)(b) of the Act. Nowhere in s. 16(3)(b) the Legislator has indicated that in order to be successful an opponent must prove prior use of the trade-mark applied for. However in order to be successful under s. 16(3)(a), the Opponent will have the initial burden to prove prior use of its trade-mark.

[13] The Opponent having met its initial onus with respect to its ground of opposition based on s. 16(3)(b) of the Act, I must determine if there is, on a balance of probabilities, any likelihood of confusion between the Mark and the Opponent's trade-mark PAIN DE LA MOISSON.

[14] The test to determine this issue is set out in s. 6(2) of the Act and I must take into consideration all the relevant surrounding circumstances, including those listed under s. 6(5): the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or in the ideas suggested by them. Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [see *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308]. I also refer to the decisions of the Supreme Court of Canada in *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 and *Veuve Clicquot Ponsardin v. Boutiques Cliquot Ltée et al.* (2006), 49 C.P.R. (4th) 401 where Mr. Justice Binnie commented

on the assessment of the criteria enumerated under s. 6(5) of the Act to determine if there exists a likelihood of confusion between two trade-marks.

[15] The Mark is not inherently distinctive. The Opponent's trade-mark PAIN DE LA MOISSON is also not inherently distinctive. The trade-marks are composed of ordinary words of the English and French languages and when used in association with their respective wares and services they are suggestive of the nature of the wares.

[16] The degree of distinctiveness of a trade-mark may be enhanced through use or promotion. The Applicant's application is based on proposed use and there is no evidence in the record of its use in Canada. However there is an affidavit of Mr. Ferretti, the President and Chief Executive Officer of the Applicant. He does provide a history of the Applicant's activities. He explains that the Applicant is in the business of promoting and selling bakery franchises that produce whole wheat baked goods and other related products for retail sale. Each of these franchises operates under the Mark. All the business activities described in his affidavit have taken place in the United States. There is no evidence of spill over advertising in Canada or that a number of Canadians would have visited the Applicant's stores operated under the Mark while in the United States such that the Mark would be known to Canadians as of the relevant date, namely January 23, 2002.

[17] Mr. Galardo alleges that the Opponent has been using on a continuous basis the trademark PAIN DE LA MOISSON since at least as early as December 1985. However such bald statement is not sufficient to establish use of a trade-mark within the meaning of s. 4(1) of the Act. I have to look at the evidence filed to support such contention.

[18] The Applicant takes the position that the Opponent has not shown use of its trade-mark prior to the relevant date. Again in so far as entitlement to the registration of the Mark based on s.16(3)(b) is concerned, the Opponent does not have to show use of its trade-mark prior to the filing date of the application. However evidence of prior use of the Opponent's trade-mark is relevant to determine the extent to which it has become known in Canada at the relevant date.

[19] Mr. Galardo has filed samples of packaging used in 1985, 1995 and 2005. He also filed price lists for the years 1991, 1993 and 1996; sales reports for 1992, 1993 and 1994; sales figures

of units sold for the years 2003 and 2004 and for the period of January to July 2005; and two invoices issued in April and June 2005. All of this evidence is either subsequent to the relevant date or much prior to it. We have no evidence of use of the Opponent's trade-mark that would be contemporaneous to the relevant date. In fact we have no evidence of use of the Opponent's trade-mark PAIN DE LA MOISSON between 1997 and 2002 inclusive. The absence of use of the Opponent's trade-mark during a long period of time prior to the relevant date leads me to conclude that the trade-mark PAIN DE LA MOISSON was not known in Canada as of January 23, 2002. The first criteria under s. 6(5) does not favour any of the parties.

[20] From my analysis above I conclude that the Opponent's trade-mark PAIN DE LA MOISSON has been in use in Canada prior to the filing date of the application but since such use appears to be not continuous up to the relevant date, I give very little weight to this factor.

[21] A good portion of the content of Mr. Ferretti's affidavit is to try to make a distinction between the Wares and Services and the Opponent's wares. To a certain extent the affidavit of Mr. Leswick, a private investigator, also serves that purpose. Mr. Leswick was asked by the Applicant's agent's firm to attend three major grocery stores in order, amongst other, to assess how baked goods are displayed within the stores. He states that in each store he visited there is a large bread section broken into several discrete areas. Fresh breads and rolls produced either instore or by external bakeries are displayed in one area or a few discrete areas, cakes and pastries are displayed in another area and pre-packaged, mass-market bread are displayed in a different area.

[22] Mr. Ferretti does provide a lot of information on the Applicant's *modus operendi* in terms of the franchising system, the look and feel of the locations operated by the franchisees, the type of ingredients used in the production of the Applicant's bread. He states that most of the franchises make and sell their bread products on-premises, but some are retail-only operations. He provides a sample of a newsletter used by a franchisee in Fresno, California. He states that franchises do not purchase externally-supplied wholesale, fresh or pre-packaged bakery products for resale. He alleges that there are no franchise located within grocery or similar stores and that loaves of bread sold by the franchises are typically priced higher than the pre-packaged loaves sold in grocery stores.

[23] These commercial activities are taking place in the United States. There is no allegation that the same scheme would be used in Canada. But more importantly what I have to compare is the Wares and Services as described in the application with the Opponent's wares. The Wares, in so far as bread is concerned, are identical to the Opponent's wares. Cookies, muffins and cinnamon rolls are bakery products as well. The franchising of retail bakery shops is a commercial activity that is different, to a certain extent, from selling bread but ultimately those franchises or retail outlets operating under the Mark would be selling bread and other bakery products. I conclude that there is a similarity between the Wares and Services and the Opponent's commercial activity of selling amongst other, bread.

[24] The degree of resemblance is the most important factor when assessing the likelihood of confusion between two trade-marks [see *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd.* (1980), 47 C.P.R. (2d) 145]. In this case we have a French trade-mark versus an English trade-mark. Visually and orally the marks in issue differ. However the test in these circumstances is not limited to a unilingual Francophone or Anglophone. One must also consider the bilingual consumer [see *Pierre Fabre Médicament v. SmithKline Beecham Corp* (2001) 11 C.P.R. (4th) 1].

[25] The word "Pain" translates in English to "bread" and "moisson" means "harvest" in English. Therefore the elements not in common in the marks in issue are "great" and "Co". They have been disclaimed apart from the trade-mark as a whole. "Great" is a laudatory term and "Co" is an abbreviation for "Company". However the Mark as a whole expresses a different idea than the Opponent's trade-mark PAIN DE LA MOISSON. The Mark refers to a company as opposed to the Opponent's trade-mark which refers to a product.

[26] As a further surrounding circumstance the Applicant has introduced state of the register and state of the marketplace evidence. Ms. Saltzman has been the director of the trade-mark searching department with Onscope, a division of Marque d'or Inc. She conducted a search on July 25, 2006 using Onscope/Marque d'or Inc. Canadian Trade-marks database.

[27] The results of her search are included in a binder. The first page provides information on how the software used performs the search. The second page provides a list of the International Classification of Goods and Services according to the Nice Agreement. The next five pages are

entitled "summary of the search report" which list 130 trade-marks having as a component the word "harvest". It provides the application number, registration number, classes of wares or services and the status of the trade-mark. Finally for each trade-mark listed in the summary there is a more detailed chart including the design of the trade-mark where applicable, the filing date and registration date, where applicable, the name of the owner and its agent and the list of wares and services.

[28] The searcher did not explain how the chart, part of exhibit 1 to her affidavit, was put together. The report does not include the actual extract of the register for each trade-mark located. In *Vins Brights Ltee v. Maximum Nutrition Ltd.* 1984 CarswellNat 1041 the Registrar stated:

In order to prove the state of the register as of a particular date a party ought to file either certified copies of the registrations as provided for in s. 54 of the Act or photocopies of the registrations together with an affidavit of the person who made the photocopies indicating that he made them and the date on which they were made. Other methods of proof may be acceptable...

[29] In its written argument the Applicant is providing an analysis of the results obtained. I note that none of the cited trade-marks includes the combination of the words "harvest" and "bread". In view of the deficiency in Ms. Saltzman's affidavit as described previously, I give very little weight to the state of the register evidence, as presented.

[30] Mr. Leswick has filed packaging of products he purchased while visiting three grocery stores. I note that none bears a trade-mark having as a component the words "harvest" and "bread" and only one packaging relates to bread and bears the trade-mark COUNTRY HARVEST. The other products bought are pasta, cereal, cookies, granola bars and stuffing mix. In total seven different products were purchased, all bearing a trade-mark having as a component the word "harvest". However this evidence relates to facts after the relevant date as Mr. Leswick visited those stores on July 26, 2006.

[31] The marks of the Applicant and the Opponent do have common elements when translated but have differences and a different meaning. In *American Cyanamid v. Record Chem. Co.*, (1972), 7 C.P.R. (2d) 1 Mr Justice Noel stated:

A trade mark may consist of a number of words some of which may be what are called weak words or less strong words than others. The matter, however, of determining whether the mark is confusing or not, under s. 6 of the Trade Marks Act must still be decided by looking at the entirety of the trade mark without breaking it up into parts and looking at one part only and downgrading the other on the basis that no one can obtain a monopoly in a particular descriptive word. The appellant, as already mentioned, disclaimed the word 'pine' but the marks must still be considered in their totalities in determining whether there is a likelihood of confusion between them. No doubt, in the case of weak marks or of marks possessing little inherent distinctiveness, small differences may be accepted to distinguish one from the other, but this does not mean that any such weak portions of a mark must be discounted in so distinguishing.

[32] I conclude that the Applicant has discharged its burden to prove, on a balance of probabilities, that the use of the Mark in association with the Wares and Services is not likely to cause confusion with the Opponent's trade-mark PAIN DE LA MOISSON. My conclusion is based on the fact that the parties' marks are weak, they do not look and sound alike and their meaning is different.

The Other Grounds of Opposition

[33] In order to meet its initial onus under the third ground of opposition the Opponent not only had to show prior use of the trade-mark PAIN DE LA MOISSON, which it did from a review of the evidence summarized above, but it had to prove that it had not abandoned such use at the advertisement date of the present application (s. 16(5) of the Act). Mr. Galardo has provided evidence of use of that trade-mark between 1985 and 1996 and has provided the number of units sold in association with the trade-mark PAIN DE LA MOISSON in 2003 and 2004. As a whole the evidence filed enables me to conclude that the Opponent has met its initial onus. Therefore I have to determine if the Mark is likely to cause confusion with the Opponent's aforesaid trade-mark. The same conclusions reached under the ground of opposition based on s. 16(3)(b) would be applicable and thus for the same reasons I dismiss this ground of opposition.

[34] As for the ground of opposition of distinctiveness of the Mark, the relevant date is the filing date of the statement of opposition (April 8, 2004) [see *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317]. The Opponent had to prove that its trade-mark PAIN DE LA MOISSON had become sufficiently known at that date [*Motel 6, Inc. v. No. 6*]

Motel Ltd. (1981), 56 C.P.R. (2d) 44 at 58]. Once this burden is met, the Applicant has a legal onus to show, on a balance of probabilities, that the Mark is not likely to create confusion with the Opponent's trade-mark such that it is adapted to distinguish or actually distinguishes the Wares and Services from the Opponent's wares throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R. (3d) 272].

[35] The Opponent's evidence summarized under the grounds of opposition based on s. 16(3) of the Act does establish that the Opponent's trade-mark PAIN DE LA MOISSON was sufficiently known in Canada at the relevant date.

[36] The conclusion reached on the issue of likelihood of confusion between the Mark and the Opponent's trade-mark PAIN DE LA MOISSON under of the grounds of opposition of entitlement is equally applicable to this ground of opposition. Consequently the Mark is adapted to distinguish and actually distinguishes the Wares and Services from the Opponent's wares. As a result the last ground of opposition is also dismissed.

Conclusion

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

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