

## TRADUCTION/TRANSLATION

**IN THE MATTER OF AN OPPOSITION BY  
Granny's Poultry Co-operative (Manitoba) Ltd.  
to application No. 1147449 for registration of the  
trade-mark GRANNY'S and design filed by  
Saputo Groupe Boulangerie Inc.**

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### **I Pleadings**

On July 25, 2002, Saputo Groupe Boulangerie Inc. (the "Applicant") filed an application for registration of the trade-mark GRANNY'S and design, as illustrated below:



(the "Mark"),

based on proposed use in association with food products, namely: crackers, breadsticks, croutons, bread crumbs, flours, melba toast, rusks, dehydrated soup and sauce bases, dehydrated soups and sauces, biscuits, pies, tarts, flaky pastries, candies, cakes, cake bars, brownies, cereal-based snack foods, cookies, and marshmallow squares (the "Wares").

The application was published in the Trade-marks Journal on December 18, 2002, for opposition purposes.

On January 22, 2003, Granny's Poultry Co-operative (Manitoba) Ltd. (the "Opponent") filed a statement of opposition. The grounds for opposition are essentially as follows:

- 1) Under sections 38(2)(a) and 30(i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act"), the Applicant could not have been and cannot now be satisfied that it was entitled to use the Mark in Canada in association with the Wares because it was fully aware of the following trade-mark of the Opponent:

GRANNY'S and oval design (application No. 1155980) for fresh and frozen poultry and fresh and frozen poultry parts.

- 2) Under sections 38(2)(b) and 10 of the Act:
  - a) the Mark is not registrable because the Opponent has by ordinary and bona fide commercial usage used its trade-mark in such a way that it has become recognized in Canada as designating the kind, quality and value of the wares with which the Opponent's mark is associated, and the use of the Mark by the Applicant in association with the Wares would mislead the public as to the source of the Opponent's wares and the Applicant's wares;
  - b) the use of the Mark by the Applicant is likely to mislead the public in that it will confuse the Mark with the Opponent's mark.
- 3) Under sections 38(2)(c) and 16(3)(a) of the Act, the Applicant is not the person entitled to registration of the Mark because on the date on which the application was filed the Mark caused confusion with the Opponent's trade-mark which it used in Canada.
- 4) Under sections 38(2)(d) and 2 of the Act, the Mark is not distinctive because it does not distinguish or is not adapted to distinguish the Wares from the wares or services of others and in particular the wares of the Opponent that are sold in association with its mark.

The Opponent also alleges:

The opponent's trade-mark has been continuously used in Canada by the Opponent and its predecessors in title; and has been used since at least as early as 1964 in association with the applicable wares. The trade-mark has also been used in conjunction with the opponent's trade-mark "GRANNY'S" which latter trade-mark was registered under number UCA35896 and has been used in association with fresh and frozen poultry and fresh and frozen poultry parts since August 3, 1950."

On May 2, 2003, the Applicant filed a counter-statement of opposition denying the grounds of opposition stated by the Opponent and arguing that section 10 had been improperly pleaded. It also argued that the ground of opposition set out above is ambiguous and insufficient in that it fails to specify the wares in relation to which the mark has allegedly been used since 1964 and the expression "applicable wares" is insufficient.

The Opponent's evidence consists of the affidavit of Wayne F. Morrison. The Applicant filed the affidavits of Michel Lanctôt and Annie Robinson. None of the deponents was cross-examined.

The Opponent sought leave to amend its statement of opposition to add a reference to section 12(1)(e) of the Act in its second ground of opposition, described above. By a decision dated December 6, 2004, the Registrar allowed the Opponent's application. However, the Opponent informed the Registrar on March 20, 2006, that it was withdrawing its second ground of opposition.

Each of the parties filed written argument and was represented at the hearing.

## **II The Evidence**

Mr. Morrison is the COO of the Opponent. He outlined its corporate history. He filed a copy of an application for registration of the mark GRANNY'S and design, as illustrated below:



("Opponent's graphic mark")

bearing number 1155980 (Exhibit A), which was filed on October 6, 2002 (that is, after this application) based on use since 1964 in association with fresh or frozen poultry or fresh or frozen poultry parts.

He also filed the following exhibits:

Exhibit B: copy of registration certificate number UCA035896 for the mark GRANNY'S, issued on August 9, 1950, in association with fresh or frozen poultry or fresh or frozen poultry parts, and with dairy products and eggs;

Exhibit C: document entitled Progress Report from the Opponent's predecessor in title, which refers to the mark GRANNY and the Opponent's graphic mark;

Exhibit D: copies of invoices bearing the Opponent's graphic mark, the oldest dating from September 20, 1995;

Exhibit E: form dated March 1978 filed with Agriculture Canada for approval of labels, which forms refer to the mark GRANNY'S;

Exhibit F: copies of labels in current use by the Opponent, on which the Opponent's graphic mark appears;

Exhibit G: package bearing the Opponent's graphic mark;

Exhibit H: samples of packaging bags bearing the Opponent's graphic mark;

Exhibit I: box bearing the Opponent's graphic mark;

Exhibit J: copy of a detachable discount coupon bearing the Opponent's graphic mark, used in February 1998;

Exhibit K: copy of a label on which the Opponent's graphic mark appears to identify the sponsors of the provincial curling championship in Virden, Manitoba, in February 1998;

Exhibit L: invoice for the purchase of promotional items bearing the Opponent's graphic mark, dated August 25, 2002;

Exhibit M: photographs of trucks and vans bearing the Opponent's graphic mark;

Exhibit N: excerpts from advertising published in newspapers and magazines during the period from 2001 to 2003, mainly in Manitoba newspapers and magazines (Winnipeg Free Press, Ciao and Manitoba Business magazine), showing the Opponent's graphic mark.

The deponent alleges that between 1990 and 2003 the Opponent spent over \$3.3 million on advertising to promote the sale of products bearing the Opponent's graphic mark. The Opponent's sales during that period totalled over \$780 million, and are broken down by province for the period from 1997 to 2003. The Opponent's products, bearing the Opponent's graphic mark, are sold across Canada, mainly in grocery stores.

Mr. Lanctôt has been employed by the Applicant since February 2002, and is currently the vice-president, marketing. The Applicant operates a business that supplies food products, including pastries, cakes, cookies, bars, biscuits, tarts, brownies and cereal-based snack foods. It uses the mark GRANNY'S in association with tarts and has done so since July 1, 1970.

He filed certificates of registration LMC 184057, for the mark GRANNY'S, and LMC 250490, for the mark GRANNY'S and design, reproduced below, as Exhibit ML-1:

(“GRANNY’S and design”)

He alleges that the Applicant has used the Mark since September 30, 2002.

He provided figures for sales of products bearing the mark GRANNY’S in Canada for 1988, 1991 and 1997 to 2003, totalling nearly \$55 million. It should be noted that we do not have sales figures relating to each of the Applicant’s GRANNY’S trade-marks (GRANNY’S, GRANNY’S and design and the Mark).

A bundle of invoices, covering the period from September 1997 to December 2003, was filed as Exhibit ML-2. Mr. Lanctôt explained that the abbreviation “gran” on those invoices refers to wares sold under the mark GRANNY’S. However, we do not know which of the Applicant’s trade-marks, as identified above, appeared on the packaging of the products identified on those invoices.

The money spent on promoting products bearing one of the GRANNY’S marks in Canada in 2003 and 2004 totals over \$500,000. Promotional materials bearing the Mark were filed as Exhibit ML-3, and materials bearing the mark GRANNY’S and design as Exhibit ML-4.

The deponent alleges that the Mark is a modernization of the mark GRANNY’S and design used prior to September 30, 2002. Samples of packages bearing the Mark were filed as Exhibit ML-5, and packages bearing the mark GRANNY’S and design used before September 30, 2002, were filed as Exhibit ML-6.

Mr. Lanctôt alleges that no instance of confusion between the Applicant’s marks and the Opponent’s trade-mark has been brought to his attention. However, Mr. Lanctôt does not specify which of the Opponent’s trade-marks (GRANNY’S or the Opponent’s graphic mark) he is referring to.

Ms. Robinson is a law clerk employed by the Applicant's agents. On March 24, 2004, she searched the Trade-marks Register to find all trade-marks that include the word "GRANNY'S". Exhibit AR-1 shows the results of her search. A second search was done to find all marks that include an ellipse in the graphic portion of the mark.

### **III The Law and the Issues**

In proceedings relating to opposition to the registration of a trade-mark, the opponent must present sufficient evidence concerning the grounds of opposition it has stated for it to be apparent that there are facts that may support those grounds of opposition. If the opponent meets that requirement, the applicant must then satisfy the Registrar that the grounds of opposition should not prevent registration of the mark [see *Sunshine Biscuits Inc. v. Corporate Foods Ltd.* (1982), 61 C.P.R. (2d) 53, *Joseph Seagram & Sons Ltd. v. Seagram Real Estate Ltd.* (1984), 3 C.P.R. (3d) 325 and *John Labatt Ltd. v. Molson Companies Limited*, (1990), 30 C.P.R. (3d) 293].

The relevant date for analyzing the various grounds of opposition will vary, depending on the ground of opposition asserted. For example, for grounds of opposition that are based on section 30 of the Act, the relevant date is the date when the application for registration was filed (July 25, 2002) [see *Dic Dac Holdings (Canada) Ltd v. Yao Tsai Co.* (1999), 1 C.P.R. (4th) 263]. When the ground of opposition is based on subsection 16(3) of the Act, the date when the application for registration was filed is also the reference date, as set out in that provision. It is also generally acknowledged that the date when the statement of opposition is filed (January 23, 2003) is the relevant date for analyzing the ground of opposition based on the Mark's lack of distinctiveness [see *Andres Wines Ltd. and E&J Gallo Winery* (1975), 25 C.P.R. (2d) 126 (F.C.A.) at page 130, *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 at page 424 (F.C.A) and *Metro-Goldwyn-Meyer Inc v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317].

I would begin by pointing out that the Opponent did not argue that the Mark was not registrable because it was confusing with the Opponent's registered trade-marks (section 12(1)(d) of the

Act). In the circumstances, the certificates of registration filed in support of Mr. Morrison's affidavit will not be of great assistance to the Opponent.

Having regard to the evidence filed by the Opponent, described above, I cannot find that it has met its initial burden of proof with respect to its first ground of opposition. There is no evidence in the record that the Applicant was aware of the Opponent's graphic mark. As well, even had the Applicant had knowledge of it, there was nothing to prevent it from saying, in good faith, that it was satisfied that it was entitled to use the Mark in Canada association with the Wares. If my interpretation of this ground of opposition is incorrect, its fate will depend on the determination of the risk of confusion between the Mark and the Opponent's graphic mark. That analysis will be done when the last two grounds of opposition are considered.

Nonetheless, the Opponent has met its burden of proving use of the Opponent's graphic mark before the date on which this application for registration was filed. In addition, the evidence shows that it had not abandoned it at the time of the Applicant's application was published (section 16(5) of the Act).

The Opponent contends that by combining the word "granny" with a design in the shape of an oval, the Mark is confusing with the Opponent's graphic mark. To determine whether use of the Mark could cause confusion with the Opponent's graphic mark, I must follow the process laid out in section 6(2) and (5) of the Act, which reads as follows:

**6. ...**

(2) The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

...

(5) In determining whether trade-marks 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 trade-marks or trade-names and the extent to which they have become known;

(b) the length of time the trade-marks or trade-names have been in use;

(c) the nature of the wares, services or business;

(d) the nature of the trade; and

(e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

The list of circumstances in section 6(5) of the Act is not exhaustive and it is not necessary that each of those criteria be assigned the same weight [see, for example: *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

The Applicant's burden of proof was described by Décary J.A. of the Federal Court of Appeal in *Dion Neckwear Limited v. Christian Dior S.A.* (2002), 20 C.P.R. (4th) 155 as follows:

The Registrar must be reasonably satisfied that, on a balance of probabilities, the registration is unlikely to create confusion; he need not be satisfied beyond doubt that confusion is unlikely. The "beyond doubt" standard imposes an insurmountable burden because certainty in matters of likelihood of confusion is rare. At best, it is only where the probabilities are equal that a form of doubt may be said to arise, which is resolved in favour of the opponent. A registrar should avoid resorting to the concept of doubt, which is treacherous and confusing in civil proceedings.

The Opponent clearly stated at the outset that it was not opposing the Applicant's use of its trade-marks GRANNY'S or GRANNY'S and design in association with the Wares. In any event, the subject of this opposition is the Mark, and not any other mark of the Applicant's.

(a) distinctiveness of the marks in issue and the extent to which they have become known



The following passage from the decision in *Pink Panther Beauty Corp. v. United Artists*, (1998) 80 C.P.R. (3d) 247 is worth noting:

The first item listed under subsection 6(5) is the strength of the mark. This is broken down into two considerations: the inherent distinctiveness of the mark, and the acquired distinctiveness of the mark. Marks are inherently distinctive when nothing about them refers the consumer to a multitude of sources. Where a mark may refer to many things or, as noted earlier, is only descriptive of the wares or of their geographic origin, less protection will be afforded the mark. Conversely, where the mark is a unique or invented name, such that it could refer to only one thing, it will be extended a greater scope of protection.

Where a mark does not have inherent distinctiveness it may still acquire distinctiveness through continual use in the marketplace. To establish this acquired distinctiveness, it must be shown that the mark has become known to consumers as originating from one particular source. In *Cartier, Inc. v. Cartier Optical Ltd./Lunettes Cartier Ltée*,<sup>21</sup> Dubé J. found that the Cartier name, being merely a surname, had little inherent distinctiveness, but, nevertheless, it had acquired a great deal of distinctiveness through publicity. Likewise in *Coca-Cola Ltd. v. Fisher Trading Co.*,<sup>22</sup> the Judge found that the word “Cola” in script form had become so famous that it had acquired a very special secondary meaning distinctive of the beverage, and was, therefore, worthy of protection.

The word “granny” means “grandmother” (*Webster’s Ninth New Collegiate Dictionary*). The Mark has some degree of inherent distinctiveness because of its graphic element. However, the combination of that word and the words “oven baked” and “*cuit au four*” and the presence of an oven mitt suggest that the Wares have been cooked according to an old recipe. The Opponent’s graphic mark also has inherent distinctiveness. However, that mark is more distinctive than the Mark because of its having been used over time, according to the evidence submitted by the Opponent and summarized above.

(b) the length of time the trade-marks have been in use

The Opponent argues that it may refer to the information in its application for registration number 1155980 to prove the use of the Opponent’s graphic mark since 1964. It cited *Cartier*

*Men's Shops Ltd. v. Cartier Inc.* (1981), 58 C.P.R. (2d) 68 in support of its argument. I do not agree with its interpretation of *Cartier*. First, the Court referred not to an application for registration but rather to a certificate of registration. In addition, the Court was asked to rule regarding a ground of opposition based on section 12(1)(d) of the Act, not a ground based on section 16(3)(a). In the latter case, the Opponent must prove its prior use.

However, in this case, there is evidence of use of the Opponent's graphic mark in association with poultry. From the evidence in the record, it may be found that there has been such use since at least 1995 (invoices, Exhibit D).

The Applicant alleges that it has used the mark GRANNY'S for many years. However, the mark that is the subject of this application is not GRANNY'S, but rather the Mark. In addition, the application is based on intended use. This factor therefore operates in the Opponent's favour.

(c) the nature of the wares, services or business;

(d) the nature of the trade;

The Applicant argues that the Wares are baked goods and pastries, prepackaged, ready to eat and sold in big box stores, convenience stores, cooperatives and other similar points of sale open to the general public. It submits that the Opponent's products are warehoused, distributed and sold through distribution networks that maintain a cold chain at all times, using a refrigeration network. Consequently, while the parties' products may be found in the same big box stores, convenience stores or cooperatives, nonetheless they will not be in the same locations, that is, for the Opponent's poultry, in refrigerated display cases, while the Opponent's Wares will be in the baked goods and pastry section.

The Opponent argues that the products of the parties in issue are food. Obviously, by using the general expression "food", the Opponent is trying to include the Wares in the same category as its own products. It cannot be denied that the Wares are food, but I believe that there is a difference between poultry and baked goods and pastry. However, I am of the opinion that there

is a connection between dehydrated soup and sauce bases and dehydrated soups and sauces, on the one hand, and poultry, on the other, because a soup may have a poultry base and sauces may be used in cooking or serving poultry. Accordingly, in the case of dehydrated soup and sauce bases and dehydrated soups and sauces, those factors operate in favour of the Opponent.

(e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

The verbal portion of the marks is identical. As well, in both cases, it appears inside an ellipse of the same form. The Applicant stressed the differences between the designs: the typeface of the letters, the presence of an oven mitt and the words “*cuit au four*” and “oven baked”. However, it is the Mark as a whole that must be compared with the Opponent’s graphic mark. We must not get caught up in analyzing the minute details of the marks in issue in search of differences in the Mark, in order to find that the marks do not resemble each other. The typeface used in each case to write the letters in the word “granny’s” is similar. The words “*cuit au four*” and “oven baked” are barely legible, and the oven mitt is not a dominant characteristic of the Mark as a whole, such that they would make the Mark distinguishable from the Opponent’s mark.

As additional circumstances, the Applicant made the arguments summarized below. It placed great stress on the fact that it already had a registered trade-mark for the verbal portion of the Mark, the certificate of registration for which was issued in 1982. As well, it holds another registered mark for an earlier version of its graphic mark (illustrated above) which was issued in 1980. It claims to have used the mark GRANNY’S in association with baked goods and pastry since 1970. The Opponent’s graphic mark, on the other hand, has been used for many years in association with poultry, without any instance of confusion to be noted. The marks in issue could therefore coexist without problems. The Applicant also argued that the information in the Register shows that the word “granny” is a component of numerous trade-marks that have been registered in association with food and accordingly that the distinctiveness of the Opponent’s graphic mark is significantly reduced. In its written argument, the Applicant also submitted that registration of the verbal mark GRANNY’S in association with baked goods and pastry gives it a monopoly on that mark, regardless of the mark’s graphic appearance.

There is no doubt that the coexistence of marks for long periods of time has previously been identified as an additional factor to support a finding that there is no risk of confusion between trade-marks. For the purposes of this argument, I will consider only the coexistence of the Mark and the Opponent's graphic mark. I will use the relevant date most favourable to the Applicant for the purposes of this discussion: the date on which the statement of opposition was filed (the date used in analyzing the ground of opposition based on the Mark's lack of distinctiveness). Accordingly, there have been barely five years of coexistence, and that is plainly insufficient for a finding in the Applicant's favour.

The fact that the Applicant holds a registered trade-mark, as similar as it may be to the Mark, does not automatically entitle it to registration of the Mark. The exclusive right to use a mark registered by its owner ends where the exclusive rights of another party begin [see *Coronet-Werke Heinrich Schlerf GMBH v. Produits Ménagers Coronet Inc.* (1984), 4 C.P.R. (3d) 108].

At the hearing, the Applicant filed an instructive table showing the information in the Register. In that table, it has set out what it considers to be the most relevant marks for the purpose of analyzing what is in the Register. I will first eliminate from that list those marks that consist only of a graphic depiction of an older person. I note that there are 16 trade-marks that, at first glance, could be considered to be relevant, in that they contain the word "GRANNY" or its phonetic or linguistic equivalent. Of those, I must disregard the marks that have been stricken from the Register (six) and the marks of the parties to this case (three). Of the seven marks that remain from the initial list, only three consist only of the word GRANNY or its linguistic equivalent. That is clearly not enough to argue that consumers have been exposed to a large number of marks that are identical or similar to the Mark and so are capable of distinguishing among them.

The test for confusion between the marks in issue may be summarized as follows: could an average consumer with imperfect recollection of the Opponent's graphic mark who sees one of the Wares bearing the Mark reasonably conclude that it comes from the same source, that is, the Opponent?

It has been repeatedly held that the result of analyzing the relevant factors must not depend on a mathematical count of the factors analyzed. The parties cited a number of cases in support of their positions on the question of whether there is a risk of confusion between the marks in issue. Some of those cases, like ours, involved both food and identical marks. However, for every decision in favour of one party there is a decision favouring the other. This clearly illustrates that each case will turn on its facts, and that it is difficult to state a conclusion or conclusions that apply to all situations.

A majority of the factors favour the Opponent. As well, the additional factors referred to by the Applicant do not really support its argument. Having regard to this analysis, I find that the Applicant has not met its burden of proof. At most, I would find that the situation is one in which the probabilities are evenly balanced, and once again, that conclusion operates against the Applicant. I therefore uphold the third ground of opposition stated by the Opponent.

On the question of the Mark's lack of distinctiveness, that ground of opposition depends on the risk of confusion between the parties' marks. The difference between the relevant dates is not a determining factor in this case. My findings regarding the risk of confusion between the marks, in my analysis of the third ground of opposition, apply in this instance as well. I must therefore also accept the Opponent's last ground of opposition.

### **III Conclusion**

By the powers delegated to me by the Registrar of Trade-marks under the provisions of section 63(3) of the Act, and having regard to the foregoing, I reject the application for registration of the Mark.

DATED AT BOUCHERVILLE, QUEBEC, MAY 9, 2006.

Jean Carrière  
Member

Trade-marks Opposition Board