

**IN THE MATTER OF AN OPPOSITION
by Jacobs Suchard Ltd. (now Kraft Jacobs
Suchard SA) to application No. 684,861 for
the trade-mark FRUTUS filed by Trebor
Bassett Limited**

On June 26, 1991, the applicant, Trebor Bassett Limited, filed an application to register the trade-mark FRUTUS for “chocolate, chocolates, candies, biscuits, cakes, pastry” based on proposed use in Canada. The application was advertised for opposition purposes on June 17, 1992.

The opponent, Jacobs Suchard Ltd. (now Kraft Jacobs Suchard SA), filed a statement of opposition on November 17, 1992, a copy of which was forwarded to the applicant on December 8, 1992. The first ground of opposition is that the applicant’s application does not comply with the provisions of Section 30(e) of the Trade-marks Act because the applicant did not have the intention to use the applied for mark and no registered user application was filed. The second ground is that the application does not comply with the provisions of Section 30(i) of the Act because the applicant did not satisfy itself that it was entitled to use the applied for mark.

The third ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Act because it is confusing with the opponent’s trade-mark SUGUS registered under No. 125,486 for “fruit and mint caramels.” The fourth ground is that the applicant is not the person entitled to registration pursuant to Sections 16(3)(a) and 16(3)(b) of the Act because, as of the applicant’s filing date, the applied for trade-mark was confusing with the trade-mark SUGUS previously used and made known in Canada by the opponent and for which an application had previously been filed. The fifth ground is that the applicant’s trade-mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As its evidence, the opponent filed two affidavits of Sheila Murray and the affidavits of Josefina Yi, Michael Godwin, Harold C. Baker and Ian R.A. MacKay. The applicant filed two affidavits as its evidence and the opponent filed evidence in reply. However, the applicant’s two affiants failed to attend for

cross-examination on their affidavits as ordered by the Opposition Board. Those two affidavits were therefore deemed not to form part of the record pursuant to Rule 46(5) [now Rule 44(5)] of the Trade-marks Regulations and were returned to the applicant. As a further consequence of that ruling, the opponent's reply evidence was also returned (see the Chairman's letter of January 13, 1995). The opponent was subsequently granted leave pursuant to Rule 46(1) [now Rule 44(1)] to submit a second affidavit of Harold C. Baker. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

The opponent's first ground of opposition is based on the provisions of Section 30(e) of the Act. The material time for assessing the applicant's compliance with Section 30(e) is the filing date of its application. As of that date, Section 30(e) read as follows:

30. An applicant for the registration of a trade-mark shall file with the Registrar an application containing.....

(e) in the case of a proposed trade-mark, where the application is not accompanied by an application for registration of a person as a registered user, a statement that the applicant intends to use the trade-mark in Canada....

Subsequent to the filing of the present application, Section 30(e) was amended to refer to licensed use rather than an accompanying registered user application.

The onus or legal burden is on the applicant to show its compliance with Section 30(e): see the opposition decisions in Joseph Seagram & Sons v. Seagram Real Estate (1984), 3 C.P.R.(3d) 325 at 329-330 and Canadian National Railway Co. v. Schwauss (1991), 35 C.P.R.(3d) 90 at 94 and the decision in John Labatt Ltd. v. Molson Companies Ltd. (1990), 30 C.P.R.(3d) 293 (F.C.T.D.). There is, however, an evidential burden on the opponent respecting its allegations of fact in support of that ground. That burden is lighter respecting the issue of non-compliance with Section 30(e) of the Act: see page 95 of the Schwauss decision and the opposition decision in Green Spot Co. v. J.B. Food Industries (1986), 13 C.P.R.(3d) 206 at 210-211.

The applicant's application formally complies with Section 30(e) of the Act since the required statement appears in the application. The issue then becomes whether or not the applicant has substantially complied with Section 30(e) - i.e. - is the applicant's statement that it intended to use the applied for trade-mark true?

The opponent has relied on the two Baker affidavits to meet its evidential burden. In his first affidavit, Mr. Baker refers to a reference work which states that Trebor Bassett Limited is a wholly-owned subsidiary of Cadbury Schweppes PLC. However, as noted by the applicant, that fact does not prevent it from using the trade-mark itself.

In his first affidavit, Mr. Baker refers to reference works and his own personal experience to conclude that the address of the applicant set out in the present application is in downtown London, England and that consequently there would not likely be a manufacturing facility at that location. However, as noted by the applicant, Section 30(g) of the Act requires the applicant to provide the address of its principal office or place of business, not the address of its manufacturing facility. Furthermore, the applicant's stated intention to use its mark does not necessarily mean that it will be manufacturing the applied for wares; they may be manufactured by another party on behalf of the applicant.

In his second affidavit, Mr. Baker makes reference to a document filed in relation to a trade-mark opposition proceeding that apparently took place before the Trademark Trial and Appeal Board in the United States Patent and Trademark Office between Jacobs Suchard SA and the present applicant. Mr. Baker states that he obtained a copy of the document from the opponent's "U.S. attorney." As noted by the applicant's agent, that copy is hearsay evidence and does not constitute the best evidence available since the opponent could presumably have obtained a certified copy from the United States Patent and Trademark Office. Furthermore, it is not apparent who prepared what purport to be the applicant's responses set out in the U.S. document nor is it apparent that those responses have any bearing to the applicant's Canadian situation. Thus, I find that the U.S. document is not reliable nor

is it particularly relevant and I have therefore given it little weight in this proceeding.

Even if I could conclude that the U.S. document is reliable, it does not advance the opponent's case. In that document, the applicant apparently stated that the manufacturing of its wares would be performed by Cadbury Schweppes (South Africa) Ltd. at its Chapelat Humphries Investments Pty. Ltd. plant in South Africa. Even if that fact is also true for the Canadian market, it is not inconsistent with the applicant's intention to use its applied for mark itself since it may well arrange to have its goods manufactured for it by another company. Furthermore, the applicant apparently stated that it would not be licensing its mark in the United States which, if anything, tends to discredit the opponent's contention that the applicant did not intend to use its mark in Canada itself but rather through a licensee.

Having reviewed the two Baker affidavits, I find that they provide insufficient evidence to meet the opponent's evidential burden respecting its first ground. That ground is therefore unsuccessful.

The second ground does not raise a proper ground of opposition since the opponent has not provided supporting allegations of fact sufficient to support a ground of non-compliance with Section 30(i) of the Act. In particular, the opponent failed to state why the applicant did not satisfy itself as to its entitlement to use the applied for mark. The second ground is therefore also unsuccessful.

The second aspect of the fourth ground of opposition is also unsuccessful since the opponent failed to identify the previously filed application it wished to rely on. Furthermore, if the opponent was seeking to rely on the application which issued as registration No. 125,486, it is precluded from relying on that application because it was not pending as of the applicant's advertisement date as required by Section 16(4) of the Act.

The remaining grounds of opposition all turn on the issue of confusion, the material time being the date of decision respecting the third ground, the filing date of the application

respecting the fourth ground and the filing of the opposition respecting the fifth ground. The opponent's strongest ground is its third ground and thus a consideration of the issue of confusion between the applicant's mark and the opponent's registered mark will effectively decide the outcome of this proceeding.

As noted above, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, both marks are inherently distinctive since they are coined words. However, the opponent's mark SUGUS is not inherently strong since it appears to be derived from the word "sugar" which is descriptive of candy. Likewise, the applicant's mark is not inherently strong since it appears to be derived from the word "fruit" which is descriptive of the applied for wares.

At the oral hearing, the opponent's agent submitted that the search of the Trade-marks Office records evidenced by the Godwin affidavit shows that SUGUS is unique as a food products trade-mark having the suffix "-us." However, Mr. Godwin's search was much more restricted than that since he only recorded trade-marks where the suffix "-us" was preceded by the letter "u" in combination with any other letter. Thus, the Godwin affidavit does little to support the contention by the opponent's agent that the trade-mark SUGUS is unique. In fact, even given the restricted parameters of Mr. Godwin's search, he was able to locate an allowed application for the trade-mark SAURUS for candy which undermines the opponent's contention that its "us"-suffixed mark is unique.

There is no evidence of use of the applicant's mark. Thus, I must conclude that it has not become known at all in Canada. The first Murray affidavit evidences some minor sales of SUGUS candy in Canada over a four year period. Thus, I am only able to conclude that the opponent's mark has become known to a very limited extent.

The length of time the marks have been in use favors the opponent. The wares of the parties overlap since the applicant's application covers "candies." As conceded by the applicant at page nine of its written argument, the wares of the parties are of the same general category and could travel through the same channels of trade.

As for Section 6(5)(e) of the Act, I consider that there is only a minor degree of resemblance between the marks at issue visually, phonetically and in the ideas suggested. The only common element is the two-letter combination "us" which appears as the final and least significant component of each mark. In assessing the degree of resemblance, I have been guided by the MacKay affidavit. Mr. MacKay is an expert in linguistics and he has identified several possible pronunciations for the marks of the parties. I suspect that the most likely pronunciations that would be given to these marks by the average bilingual consumer would be "soo-gus" and "fruit-us." Notwithstanding the similar pronunciation given to the vowel portion of the first component of both marks, I consider that the degree of phonetic resemblance is not particularly striking.

Although I have accepted Mr. MacKay's observations as to the possible pronunciations of the marks at issue, I do not accept his conclusions respecting the issue of confusion. From a review of Mr. MacKay's resume appended as an exhibit to his affidavit, I note that his expertise is primarily in the field of speech language pathology and not in the field of trademark law. A review of paragraphs 23 to 26 illustrates Mr. MacKay's unfamiliarity with the principles involved in assessing the issue of confusion, particularly the principle that the issue is to be assessed as a matter of first impression and imperfect recollection from the standpoint of an average consumer.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the inherent weakness of the opponent's mark, the absence of any acquired reputation of note for that mark and the low degree of resemblance between the marks at issue, I find that the applicant's mark FRUTUS is not confusing with the opponent's registered mark SUGUS. Thus, the remaining grounds of opposition are unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS 15th DAY OF JULY, 1996.

**David J. Martin,
Member,
Trade Marks Opposition Board.**