

**IN THE MATTER OF AN OPPOSITION  
by European Cheesecake Factory Ltd. to  
application No. 613,935 for the trade-mark  
THE CHEESECAKE FACTORY filed by  
Great World Foods, Inc. and subsequently  
assigned to The Cheesecake Factory Incorporated**

On August 26, 1988, Great World Foods, Inc. filed an application to register the trade-mark THE CHEESECAKE FACTORY for "bakery products, namely cakes" and for "restaurant services" based on use and registration (No. 1,549,370) in the United States. Great World Foods, Inc. claimed priority based on its corresponding United States application (No. 73/720776) and thus the effective filing date of the present application is April 6, 1988. The application was amended to include a disclaimer to the word CHEESECAKE and was subsequently advertised for opposition purposes on August 14, 1991. The application was later assigned to The Cheesecake Factory Incorporated.

The opponent, European Cheesecake Factory Ltd., filed a statement of opposition on September 12, 1991, a copy of which was forwarded to the applicant on October 29, 1991. The grounds of opposition read as follows:

(a) The applicant is not the person entitled to registration of the trade-mark applied for in respect of the wares of bakery products, namely cakes, or the services of restaurant services, in that, contrary to section 16(2)(a) of the Trade-marks Act, at the date of application therefor, the trade-mark was confusing with the opponent's trade-mark EUROPEAN CHEESECAKE FACTORY, which had been previously used continually and made known in Canada by the opponent and its predecessors-in-title since at least as early as July 1982, in association with substantially the same wares and services as those set forth in the applicant's trade-mark application. The opponent's use of its trade-mark EUROPEAN CHEESECAKE FACTORY had not been abandoned at the date of advertisement of the applicant's trade-mark in the Trade-marks Journal.

(b) The trade-mark as sought to be registered by the applicant is not registrable because it does not distinguish, nor is it capable of being distinctive of, the wares of the applicant, in that it is likely to be confusing with the trade-mark of the opponent, as aforesaid.

(c) The trade-mark as sought to be registered by the applicant is not registrable because it is not distinctive of the wares and services of the applicant, in that at least one party other than the applicant of which the opponent is aware has used exactly the same trade-mark in Canada as that applied for by the applicant, namely a party operating a restaurant in the City of Edmonton in the Province of Alberta under the trade-mark THE CHEESECAKE FACTORY since at least as early as 1988 and continuously to the present.

**(d) The applicant's application does not comply with the provisions of Section 30 of the Trade-marks Act in that the applicant could not have been satisfied that it was entitled to use the trade-mark in Canada in view of the prior use of the trade-mark EUROPEAN CHEESECAKE FACTORY by the opponent and its predecessors-in-title in respect of similar wares and services.**

**The applicant filed and served a counter statement. As its evidence, the opponent filed an affidavit of George Lavertu and an affidavit of its President, Bryan Yakoweshyn. As its evidence, Great World Foods, Inc. filed an affidavit of its President, Evelyn Overton. 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 Section 16(2)(a) of the Act. Thus, it was incumbent on the opponent to evidence use or making known of its trade-mark EUROPEAN CHEESECAKE FACTORY for cakes or restaurant services prior to the effective filing date of the present application (i.e. - April 6, 1988). In view of the provisions of Sections 16(5) and 17(1) of the Act, it was also incumbent on the opponent to establish that it had not abandoned its trade-mark as of the advertisement date of the present application (i.e. - August 14, 1991).**

**In his affidavit, Mr. Yakoweshyn describes how he and his wife commenced carrying on business under the trade-name Cheesecake Factory in June of 1982 and then transferred the business to their company European Cheesecake Factory Ltd. on November 4, 1982. He indicates that the opponent has continuously carried on the business of making and selling cheesecakes and other baked goods from that date on. Attached to his affidavit are samples of advertising materials, a photograph of a delivery truck and photographs of different trade show displays. Unfortunately, Mr. Yakoweshyn did not provide dates for these various materials. More importantly, he did not provide information or materials from which I could conclude that his company's trade-mark EUROPEAN CHEESECAKE FACTORY had been used pursuant to Section 4(1) of the Act in association with cakes prior to the applicant's filing date or at any time. Mr. Yakoweshyn did not indicate that the trade-mark was associated with**

the wares at the time of their transfer to the opponent's customers. Inexplicably, he did not provide any specimen packaging or sample invoices bearing the trade-mark and he did not indicate the extent of the sales (if any) of EUROPEAN CHEESECAKE FACTORY cakes at any time. Mr. Yakoweshyn also appended a number of newspaper and magazine articles as exhibits to his affidavit but they cannot be relied on for the truth of their contents and they do not, in any event, point to use of the opponent's trade-mark for cakes.

The opponent has also relied on the Lavertu affidavit, Mr. Lavertu having identified himself as the President of Lavtor Holdings (Alberta) Ltd., a franchisee of "Smitty's of Canada" in the Edmonton area and a customer of the opponent since 1984. Mr. Lavertu's affidavit, however, does not provide evidence from which one could conclude there has been prior use of the trade-mark EUROPEAN CHEESECAKE FACTORY. Mr. Lavertu did indicate that "Smitty's" advises its customers that the cheesecakes and other baked dessert items it sells "....are supplied by Cheesecake Factory Ltd. or European Cheesecake Factory Ltd....." Unfortunately, Mr. Lavertu did not indicate when this activity took place or how the customers were advised. Furthermore, like Mr. Yakoweshyn, he did not provide specimen packaging, sample invoices or sales figures.

In view of the above, I must conclude that the opponent has failed to evidence use or making known of its trade-mark in association with cakes prior to the applicant's effective filing date. For that matter, the opponent was not even able to evidence non-abandonment of its mark for such wares as of the applicant's advertisement date. It may well be that there was prior use of the opponent's mark and that the Yakoweshyn and Lavertu affidavits simply failed to evidence such use. However, I cannot infer use where the evidence is deficient. In fact, the following excerpt from a photocopied article from the November 6, 1989 edition of The Edmonton Sun appended as Exhibit O to the Yakoweshyn affidavit suggests that the opponent's trade-mark may never have been used with cakes:

**Eighteen months ago it [the opponent] signed a deal with an international distributor to package the Yakoweshyn's savory snacks - under an alias - across Canada. (emphasis added)**

In his affidavit, Mr. Yakoweshyn makes reference to a dessert bar opened by the opponent in Edmonton in December of 1989. Attached as Exhibit V to his affidavit is a photograph of the exterior sign for the dessert bar which bears the trade-mark EUROPEAN CHEESECAKE FACTORY. Mr. Yakoweshyn did not provide sales figures for his company's dessert bar. In any event, any use of the opponent's mark for restaurant services did not commence until after the applicant's filing date. Thus, the opponent has also failed to show prior use of its trade-mark in association with restaurant services.

In summary, I must conclude that the opponent has failed to show use or making known of its trade-mark EUROPEAN CHEESECAKE FACTORY for cakes or restaurant services prior to April 6, 1988. Thus, the first ground of opposition is unsuccessful.

As for the second ground of opposition, it is restricted to an allegation that the applicant's trade-mark is not distinctive of its applied for wares. The opponent's agent contended that the second ground should be interpreted as also alleging that the applicant's trade-mark is not distinctive of the applied for services. However, no such ground was specifically pleaded and I am therefore precluded from considering it: see Imperial Developments Ltd. v. Imperial Oil Limited (1984), 79 C.P.R.(2d) 12 at 21 (F.C.T.D.).

The onus or legal burden respecting the second ground is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares and services from those of others throughout Canada: see Muffin Houses Incorporated v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Furthermore, the material time for considering the circumstances respecting this issue is as of the filing of the opposition (i.e. - September 12, 1991): see Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.). Finally, there is an evidential burden on the opponent to prove the allegations of fact in support of its ground of non-distinctiveness.

As with the first ground of opposition, the opponent's second ground only relies on its

trade-mark EUROPEAN CHEESECAKE FACTORY. As discussed above, the opponent's evidence fails to show prior use of that mark. The evidence is also insufficient to show any measurable reputation for that mark in association with cakes and restaurant services as of the filing of the opposition. Although the mark does appear in some of the exhibits appended to the Yakoweshyn affidavit, Mr. Yakoweshyn did not indicate when those materials were used or how they were used (if at all). At the oral hearing, the opponent's agent referred to a number of articles appended as exhibits to the Yakoweshyn affidavit and submitted that they evidenced an acquired reputation for the opponent's trade-mark. However, most of those articles refer to the opponent's trade-name or to trade-marks other than EUROPEAN CHEESECAKE FACTORY. As for the articles that do arguably refer to the opponent's trade-mark (i.e. - Exhibits P, Q and R), there is no indication as to the extent of circulation of the two publications involved.

Mr. Yakoweshyn did provide a summary of the opponent's annual advertising budget from 1982 on (Exhibit W) although he did not indicate if those budgeted amounts were actually spent. As noted by the applicant's agent, Exhibit W refers to advertising and promotion expenditures whereas Mr. Yakoweshyn, in his affidavit, only refers to advertising. It is therefore difficult to know what portion of the expenditures shown in Exhibit W relates to advertising.

Mr. Yakoweshyn stated that his company's advertising campaign has always emphasized the association of its products with the names European Cheesecake Factory, The European Cheesecake Factory and Cheesecake Factory. Without additional information, it is impossible to determine what portion (if any) of possible advertising expenditures related to the sole trade-mark relied on, namely EUROPEAN CHEESECAKE FACTORY. Furthermore, since Mr. Yakoweshyn did not provide details regarding his company's "campaign", it would be difficult, in any event, to determine the extent to which his company's trade-mark had become known as of the material time. Thus, I find that the opponent has failed to meet its evidential burden respecting the second ground of opposition and therefore it, too, is unsuccessful. In passing, it should be noted that even if the second ground had been

successful, it would only have been successful with respect to the applicant's wares.

The opponent's third ground of opposition is that the applied for trade-mark is not distinctive in view of the use of the trade-mark **THE CHEESECAKE FACTORY** in Edmonton is association with restaurant services by an unnamed third party since 1988. The opponent has failed to evidence any use of such a mark by a third party. Thus, it has failed to meet its evidential burden and the third ground is also unsuccessful.

The fourth ground of opposition is that the applicant's application does not comply with Section 30(i) of the Act in that the original applicant, Great World Foods, Inc., could not have been satisfied that it was entitled to use the applied for mark in view of the prior use of the trade-mark **EUROPEAN CHEESECAKE FACTORY** by the opponent. It is doubtful that the foregoing raises a proper ground of opposition since the opponent did not even allege that the original applicant was aware of the opponent's mark when it filed the present application. In any event, the opponent has failed to support its allegation of fact, namely that it previously used its trade-mark. Thus, the fourth ground is also unsuccessful.

In view of the above, I reject the opponent's opposition. I wish to note in passing, however, that I suspect that the outcome of this case might well have been different if the grounds of opposition were not so narrowly constructed or if the evidence was more carefully prepared.

DATED AT HULL, QUEBEC, THIS 31<sup>st</sup> DAY OF JANUARY 1995.

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