

IN THE MATTER OF AN OPPOSITION by The Provender Corporation to application No. 643,332 for the trade-mark WHOLLY TAU filed by Produits Alimentaires Tau Inc.

On October 24, 1989, the applicant, Produits Alimentaires Tau Inc., filed an application to register the trade-mark WHOLLY TAU based upon proposed use of the trade-mark in Canada in association with services identified as: "operation of retail stores and restaurants", as well as in association with the following wares:

"beverages and foods namely beer, wine, fruit juice, vegetable juice, instant coffee substitute, bread, rolls, croissants, biscuits, cookies, crackers, breakfast cereals; whole wheat cereal, puffed rice cereal, whole grain cereal, corn cereal, baby food cereal, fruits namely apples, oranges, pineapples, plums, peaches, grapes, cherries, strawberries, blackberries, blueberries, raspberries, pomegranits [sic], guavas, grapefruits, lemons, tangerines, pears, avocados, tomatoes, bananas, kiwis, star fruits, apricots, cactus fruit, chinese pears, mangos, papayas, nuts, dried fruits, seeds; vegetables namely carrots, cucumbers, lettuce, celery, pumpkin, squash, peppers, turnips, leek, asparagus, cabbage, cauliflower, broccoli, potatoes, alfalfa sprouts, bean sprouts, beans, peas; jams, marmalades; prepared foods namely cheeses, meats, poultry, fish, oils, salad dressing, frozen pizza, frozen meat pie, frozen vegetarian pie, frozen lasagna, frozen paté, meat replacements or substitutes, soup bases, pie, cakes and patés made from soya or soya by-products, such as soya lecithin, soya protein and/or fermented soya, soya sauce, tamari and tofu, health products namely vitamins, granola, oat bran, natural laxatives, wheat germ; cosmetics namely creams, lotions, eye-shadow, mascara, shampoo, conditioner, body soap, rouge, lipstick; cookware namely pots, pans, bowls, dishes, plates, knives, forks, spoons, spatulas, cups, measuring cups"

The opponent, The Provender Corporation, filed a statement of opposition on January 21, 1991 in which it alleged the following grounds of opposition:

- (a) That the applicant's trade-mark is not registrable in view of the provisions of Section 12(1)(d) of the Trade-marks Act in that it is confusing with the opponent's registered trade-marks HO-LEE-CHOW, registration No. 377,040, and HO-LEE, registration No. 370,254, both covering restaurant services, namely the operation of take out and delivery Chinese food restaurants;
- (b) That the applicant's trade-mark is not registrable in view of the provisions of Section 12(1)(d) of the Trade-marks Act in that the applicant's trade-mark is confusing with the registered trade-mark TALLY HO, registration No. 175,845, covering cosmetics and toilet preparations;
- (c) That the applicant's trade-mark is not registrable in view of the provisions of Section 12(1)(a) of the Trade-marks Act in that the word TAU is primarily merely the name or the surname of an individual who is living or has died within the preceding thirty years;
- (d) That the applicant is not the person entitled to registration in that, as of the applicant's filing date, the applicant's trade-mark WHOLLY TAU was confusing with the trade-mark HO-LEE-CHOW previously used in Canada by the opponent in association with restaurant services and in association with food products;
- (e) That the applicant is not the person entitled to registration in that, as of the applicant's filing date, the applicant's trade-mark WHOLLY TAU was confusing with the opponent's trade-name HO-LEE-CHOW which had previously been used in Canada by the opponent in association with restaurant services and in association with various food products;
- (f) That the applicant's trade-mark is not distinctive in that it does not distinguish, nor is it adapted to distinguish, the wares or services of the applicant from the wares

or services of others including the opponent.

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

The opponent filed as its evidence the affidavit of Eric Johnson while the applicant filed as its evidence the affidavit of Eli Brown.

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

The first ground of opposition is based on an allegation of confusion between the applicant's trade-mark WHOLLY TAU and the opponent's registered trade-marks HO-LEE and HO-LEE-CHOW. In determining whether there would be a reasonable likelihood of confusion between the trade-marks at issue as of the date of decision, the material date in respect of the Section 12(1)(d) ground, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in Section 6(5) of the Trade-marks Act. Further, the Registrar must bear in mind that the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks of the parties as of the material date.

With respect to the inherent distinctiveness of the trade-marks at issue, the applicant's trade-mark WHOLLY TAU as applied to the wares and services covered in the present application is inherently distinctive. The opponent's trade-mark HO-LEE is comprised of elements which, taken individually, might be perceived by the average Canadian as having a given or surname significance and therefore possesses relatively little inherent distinctiveness. On the other hand, while the word CHOW as a slang expression in the English language means "food", the opponent's trade-mark HO-LEE-CHOW, when considered in its entirety, possesses a fair degree of inherent distinctiveness.

The Johnson affidavit establishes that the opponent's trade-mark HO-LEE-CHOW has become known in the Toronto area in association with the operation of take-out and delivery Chinese food restaurants. Indeed, since the opening of the opponent's first restaurant in early September, 1989, the opponent has expanded to more than 20 restaurants as of the date of Mr. Johnson's affidavit (October 8, 1991). Additionally, according to Mr. Johnson, gross revenues from the opponent's restaurants exceeded \$10,000,000 for 1991. On the other hand, no evidence of use of the trade-mark HO-LEE has been furnished by the opponent and that mark must be considered as not having become known to any extent in Canada.

In his affidavit, Eli Brown, President of the applicant, states that the applicant has used the trade-mark WHOLLY TAU in Canada since November 1989 in association with the operation of retail stores selling wares. Apart from the affiant's assertions relating to the applicant's use of the trade-mark WHOLLY TAU being conclusions of law, Mr. Brown has not identified any the wares sold in such stores, nor has he provided any evidence as to either the manner or the extent of use of the trade-mark WHOLLY TAU in Canada. As a result, I can only conclude that the trade-mark WHOLLY TAU may have become known to some minor extent in Canada in association with the operation of retail stores.

In view of the above, both the extent to which the trade-marks have become known and the length of use of the trade-marks at issue weigh in the opponent's favour in this proceeding.

As for the nature of the wares and services of the parties and their respective channels of trade, the applicant's operation of restaurants includes within its scope the operation of take out and delivery of Chinese food restaurants, there being no limitation in the applicant's statement of services as to the type of restaurant services associated with its trade-mark. Likewise, to the extent that the applicant's operation of a retail business could include within its scope the sale of Chinese food, there is a potential overlap between these services and the services covered in the opponent's registrations.

The beverages, health products, cosmetics and cookware covered in the applicant's application differ from the services covered in the opponent's registrations. Further, while a number of the foods covered in the applicant's application may well be included in the prepared meals sold by the opponent as part of its take out and delivery Chinese food restaurant services, I would not expect that the opponent's services would include the sale of any of the applicant's foods to its customers. I have therefore concluded that the applicant's wares differ from the opponent's services, as do the channels of trade associated with these wares and services.

While there is little similarity either in appearance or in the ideas suggested between the applicant's trade-mark WHOLLY TAU and the opponent's trade-marks HO-LEE and HO-LEE-CHOW, the first two syllables of the applicant's mark are almost identical in sounding to the corresponding syllables of the opponent's registered trade-mark HO-LEE-CHOW. As a result, there is a fair degree of phonetic similarity between these marks.

In view of the above, and bearing in mind that the phonetic resemblance between the

applicant's trade-mark WHOLLY TAU and the registered trade-mark HO-LEE-CHOW, as well as the overlapping between the services covered in the present application and the opponent's registration, I have concluded that the applicant has failed to meet the legal burden upon it in relation to the Section 12(1)(d) ground of opposition in relation to the services covered in its application. On the other hand, I do not consider that there would be any reasonable likelihood of confusion between the applicant's trade-mark as applied to the wares covered in the present application and either of the opponent's registered trade-marks.

The second ground of opposition is also based on Section 12(1)(d) of the Trade-marks Act, the opponent alleging that the applicant's trade-mark is not registrable in that the trade-mark WHOLLY TAU is confusing with the registered trade-mark TALLY HO, registration No. 175,845, covering cosmetics and toilet preparations. As there is no resemblance between the trade-marks WHOLLY TAU and TALLY HO in appearance, sounding or in the ideas suggested by them, I have concluded that there would be no reasonable likelihood of confusion between these marks and have therefore dismissed this ground of opposition.

As its third ground, the opponent has alleged that the applicant's trade-mark is not registrable in view of the provisions of Section 12(1)(a) of the Trade-marks Act in that the word TAU is primarily merely the name or the surname of an individual who is living or has died within the preceding thirty years. As the opponent's ground is directed only to the element TAU of the applicant's trade-mark rather than to the trade-mark WHOLLY TAU, the opponent has not pleaded a proper ground of opposition based on Section 12(1)(a) of the Act. In any event, the opponent failed to adduce any evidence in support of this ground and has therefore failed to meet the evidential burden upon it. I have therefore rejected this ground.

The next two grounds of opposition are based on Section 16 of the Trade-marks Act, the opponent alleging that the applicant is not the person entitled to registration of the trade-mark WHOLLY TAU in that, as of the applicant's filing date, the applicant's trade-mark was confusing with the trade-mark HO-LEE-CHOW and the trade-name HO-LEE-CHOW previously used in Canada by the opponent in association with restaurant services and in association with various food products. As the applicant's application stands refused as applied to the services covered in the present application in view of the opponent's registered trade-mark HO-LEE-CHOW, it is unnecessary to consider that issue in relation to the Section 16 grounds. Accordingly, these two grounds remain to be decided on the basis of the alleged confusion between the applicant's trade-mark WHOLLY TAU as applied to the wares covered in the present application and the opponent's

trade-mark and trade-name HO-LEE-CHOW as previously used in Canada in association with various food products.

With respect to the Section 16 grounds, there is an initial burden on the opponent in view of Sections 16(5) and 17(1) of the Trade-marks Act to establish its use of its trade-name and trade-mark HO-LEE-CHOW in association with various food products prior to the applicant's filing date (October 24, 1989), as well as to show that it had not abandoned its trade-mark and trade-name as of the date of advertisement of the present application in the Trade-marks Journal (December 19, 1990). In the present case, the opponent has failed to identify any of the wares which it had sold through its restaurant(s) subsequent to the opening of the first restaurant in early September 1989 and prior to the filing of the applicant's application on October 24, 1989. While one, or more, of the opponent's licensees may have been selling various prepared meals through their restaurants during this period of less than two months, the opponent has not shown that either its trade-mark or trade-name was associated with any specific food items during this period. Additionally, it would appear that all the HO-LEE-CHOW restaurants were operated by the opponent's licensees and no evidence has been furnished by the opponent relating to either its direct or indirect control of the character or quality of the meals sold by the licensees within the scope of Section 50(1) of the Trade-marks Act. Further, I am not prepared to infer that such control existed during this time based on the recordal of licensees as registered users in relation to the services covered in the opponent's registration, bearing in mind that the first registered user application was not filed until January of 1990. I have concluded, therefore, that the opponent has failed to meet the burden upon it in respect of the two Section 16 grounds of opposition which I have therefore rejected.

The final ground is that the applicant's trade-mark is not distinctive in that it does not distinguish, nor is it adapted to distinguish, the wares or services of the applicant from the wares or services of others including the opponent. As the opponent has not pleaded any facts in respect of this ground, the ground is contrary to Section 38(3)(a) of the Trade-marks Act and is therefore rejected.

In view of the above, I refuse the applicant's application in respect of the "operation of retail stores and restaurants" and otherwise reject the opponent's opposition to registration of the trade-mark WHOLLY TAU as applied to the wares covered in the present application pursuant to Section 38(8) of the Trade-marks Act. In this regard, I would note the finding of the Federal Court, Trial Division in respect of there being authority to render a split decision in Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH, 10 C.P.R. (3d) 492.

DATED AT HULL, QUEBEC THIS 31st DAY OF October, 1994.

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