



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

Citation: 2011 TMOB 59
Date of Decision: 2011-04-12

**IN THE MATTER OF AN OPPOSITION
by TMC Distributing Ltd. to application
No. 1265078 for the trade-mark
HARMONY GRAINS in the name of
Shalit Foods Inc.**

[1] On July 15, 2005, Shalit Foods Inc. (the Applicant), filed an application for the trade-mark HARMONY GRAINS (the Mark) based upon proposed use of the Mark in Canada. The statement of wares/services currently reads:

Specially processed, high fiber, high protein multi-grain blends containing unique cultivated and hand-harvested rice, grain and bean combinations, namely, amaranth, radish seeds, barley, bulgur wheat, farro, kamut wheat, quinoa, wheat berries, couscous, orzo, grano, lentils, beans and rices.

Operation and maintenance of internet website promoting/containing information relating to unique grain blends intended for human consumption; consulting services relating to grain intended for human consumption, namely developments of grain blend varieties and uses; wholesale and retail distribution services relating to grains intended for human consumption; brokerage services relating to grains intended for human consumption; purchasing services relating to grains intended for human consumption; marketing, namely sales, development, transportation, exportation and storage relating to grains intended for human consumption; conducting nutritional research, relating to grain blends intended for human consumption.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of June 4, 2008.

[3] On June 19, 2008, TMC Distributing Ltd. (the Opponent) filed a statement of opposition against the application. The grounds of opposition are that the Applicant's application does not conform to the requirements of s. 30(e) and s. 30(i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act), the Mark is not registrable pursuant to s. 12(1)(d), the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(3)(a) and the Mark is not distinctive. Each of these grounds is based on confusion with the Opponent's HAMONIE trade-marks, registration Nos. TMA127,589 and TMA127,343.

[4] The Applicant filed and served a counter statement. Any allegations of fact that were contained in the counter statement have been disregarded for not having been filed as proper evidence by way of affidavit or statutory declaration.

[5] The Opponent's evidence consists of the affidavit of Kevin Krug, and certified copies of registration Nos. TMA127,589 and TMA127,343. The Applicant's evidence consists of the affidavit of Sol Shlomo Shalit, and a certified copy of its registration No. TMA710,487 for the trade-mark HARMONY CUISINE. Neither affiant was cross-examined.

[6] Both the Applicant and the Opponent filed a written argument. An oral hearing was conducted at which both parties were represented.

Onus and Material Dates

[7] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial burden 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 [see *John Labatt Ltd v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

[8] The material dates that apply to the grounds of opposition are as follows:

- s. 30 - the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475];

- s. 12(1)(d) - the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks* (1991), 37 C.P.R. (3d) 413 (F.C.A.)];
- s. 16(3) - the filing date of the application [see s. 16(3)];
- non-distinctiveness - the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Section 30(i) Ground of Opposition

[9] Where an applicant has provided the statement required by s. 30(i), a s. 30(i) ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of the applicant [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155]. As this is not such a case, I am dismissing this ground of opposition.

Section 12(1)(d) Ground of Opposition

[10] The s. 12(1)(d) ground of opposition turns on the issue of the likelihood of confusion between the Mark and each of the Opponent's marks.

[11] I note that the Opponent's initial burden with respect to the s. 12(1)(d) ground has been satisfied because both of its registrations are in good standing.

[12] I consider the Opponent's case to be strongest with respect to the ground that the Mark is not registrable pursuant to s. 12(1)(d) of the Act due to a likelihood of confusion with the Opponent's HARMONIE mark, registration No. TMA127,343, registered in association with the following wares:

(1) Canned, dried, evaporated or frozen fruits; canned or frozen vegetables; canned, fresh or frozen fish; jam, jelly and marmalade; pickles. (2) Fruit juices. (3) Flour and cereals for human consumption. (4) Ice cream. (5) Meats, fresh, canned and processed. (6) Household detergent. (7) Margarine. (8) Household baking ingredients namely baking chips and vanilla extract. (9) Household plastic and paper products namely garbage bags, paper towels, tissues, (10) Pet foods. (11) Non alcoholic beverages namely teas, coffees, cocoas, food drinks and juices and

ingredients thereof, bottled, packaged, canned, frozen, evaporated and concentrated. (12) Condiments. (13) Bakery products, namely breads, buns, rolls, sweet goods, (14) Spaghetti - canned, dried; macaroni; peanut butter; coffeewhitener. (15) Cheese. (16) Fruits glazed. (17) Household foil products, namely aluminium foil wrap. (18) Cat box filler; condiments or sauces, namely tomato ketchup; coffee filters; brooms and mops. (19) Pancake syrup, baking powder, salad dressing. (20) Rice cakes, popping corn, mayonnaise, spaghetti sauce. (21) Canola oil, potato chips, creamed honey, canned soups, tomato sauce. (22) Snack crackers, candy. (23) Facial tissue, bar soap. (24) Sour cream and yogurt. (25) Pasta. (26) Eggs. (27) Toothbrushes.

test for confusion

[13] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that 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. In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in s. 6(5) of the Act, namely: a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; b) the length of time each has 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 in appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight.

[14] The Supreme Court of Canada has discussed the appropriate process for assessing all the surrounding circumstances to be considered in determining whether two trade-marks are confusing in its decisions 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. It is with these general principles in mind that I shall now assess all of the surrounding circumstances.

s. 6(5)(a) - inherent distinctiveness of the trade-marks and the extent to which each trade-mark has become known

[15] The Opponent's mark has a higher degree of inherent distinctiveness than the Applicant's mark. In this regard, the word HARMONIE has no meaning when viewed in association with

the Opponent's wares. The Applicant's HARMONY GRAINS mark, however, suggests that the Applicant's wares are made up of grains that work well together.

[16] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. The evidence of the Opponent's affiant, Mr. Krug, provides the following information:

- the Opponent licenses the right to use its HARMONIE trade-mark to its licensee Interprovincial Cooperative Limited/La Cooperative Interprovinciale Limitee (IPCO) and maintains strict control over the character and quality of the products sold by its licensee;
- the licensee has been procuring and manufacturing grocery related wares from various suppliers since 1962 for the purpose of distributing such wares under the Opponent's mark;
- through the licensee, the Opponent's annual sales of wares bearing the Opponent's mark have exceeded \$10 million annually since 1991, with sales of approximately \$28 million and \$31 million for the years 2002 and 2003 respectively; and
- the Opponent's wares are advertised by way of flyers which are delivered weekly to more than 1.1 million households in Western Canada and to households throughout Atlantic Canada (a representative sampling of which dating from November 1991 to November 2008 having been attached as Exhibit E1-E23 to Mr. Krug's affidavit).

[17] The Applicant, on the other hand, has not provided any evidence of use of the proposed mark.

[18] Based on the foregoing information, I conclude that the Opponent's mark has become known to a considerable extent in Canada while the Mark has not become known to any extent.

s. 6(5)(b) - the length of time each trade-mark has been in use

[19] The length of time that each mark has been in use favours the Opponent.

s. 6(5)(c) and (d) - the nature of the wares, services or business; the nature of the trade

[20] When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties trade-mark application and registration that govern in respect of the issue of confusion arising under s. 12(1)(d) [see *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (F.C.A.); *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe Inc. v. Bohna* (1994), 58 C.P.R. (3d) 381 (F.C.A.)].

[21] The Opponent submits that its wares overlap with the Applicant's wares and services because both parties' wares are comprised of food products for human consumption. Further, the Opponent argues that many of its products contain grains such as wheat. I also note that the Opponent has shown use of its mark in association with rice, beans, flour and bread since at least as early as 2004, even though these wares are not registered in association with either of the Opponent's marks.

[22] The Applicant argues that the wares and services offered through the Mark are not within the scope of goods offered through the Opponent's mark because the applied for wares are a unique blend of rice, grains and beans manufactured by a specially designed technology in California and sold to retailers on-line. As this information regarding the Applicant's wares and channels of trade did not appear in any of the evidence filed by the Applicant, it is inadmissible. I would like to add that even if this evidence was admissible, the fact remains that the applied for wares and ancillary services are not restricted to any particular channels of trade. Therefore, in view that the nature of the parties' wares and services overlaps, there is also a potential for overlap in the parties' channels of trade.

s. 6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[23] The jurisprudence has held that the first word of a trade-mark is typically the most important for determining confusion [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.)]. In the present case, the first word of the Mark encompasses the entirety of the Opponent's mark, albeit with a different spelling. The second

component of the Mark is a non-distinctive word that describes the Applicant's wares. I therefore consider that the marks in their entirety have a high degree of resemblance in both sound and appearance. The ideas suggested are somewhat different, however, as the Opponent's mark suggests something with a pleasing affect while the Mark suggests grains that work well together.

further surrounding circumstances

[24] As a further surrounding circumstance, the Applicant would like me to consider the state of the register. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in *Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R.(3d) 432 and the decision in *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

[25] In the present case, the affidavit of Mr. Shalit simply provides particulars of three third party registrations and does not provide certified copies (or even photocopies) of the registrations in question. As I am not prepared to rely on the veracity of Mr. Shalit's statements regarding the third party registrations, I have not given any consideration to this state of the register evidence. I would like to add that even if I could have regard to the registrations referred to by Mr. Shalit in his affidavit, Mr. Shalit provides far too few relevant registrations for me to draw any inferences favourable for the applicant. In the absence of evidence of actual marketplace use of HARMONY or HARMONIE marks by third parties in association with related wares or services, I am not able to conclude that the public is aware of third parties using the HARMONY or HARMONIE marks in association with food products. In other words, I must conclude that, at all material times, the average consumer perceives the mark HARMONIE as unique to the Opponent.

[26] As a further surrounding circumstance, the Applicant pointed to the fact that it was the registered owner of the registered trade mark HARMONY CUISINE, registration No. TMA710,487 as applied to ethnically inspired stews featuring vegetables, whole grains and

spices. However, as pointed out by the hearing officer in *Coronet-Werke Heinrich Schlerf GmbH v. Produits Menagers Coronet Inc.* (1984), 4 C.P.R. (3d) 108 at p. 115, s.19 of the Act does not give the owner of a registration the automatic right to obtain any further registrations no matter how closely they may be related to the original registration. As a result, I do not consider the existence of the Applicant's registration noted above to be of any relevance to the determination of the s. 12(1)(d) ground of opposition.

conclusion re likelihood of confusion

[27] The test to be applied is a matter of first impression in the mind of a casual consumer somewhat in a hurry who sees HARMONY GRAINS on the Applicant's wares and services at a time when he or she has no more than an imperfect recollection of the Opponent's HARMONIE trade-mark, and does not pause to give the matter any detailed consideration or scrutiny [see *Veuve Clicquot*].

[28] In view of my findings above, and in particular the Opponent's extensive reputation of its HARMONIE mark in the food industry, the fact that the wares (and ancillary services) and channels of trade overlap, and the high degree of resemblance between the marks in appearance and sound, it seems to me that such a consumer would, as a matter of first impression, be likely to believe that the wares associated with the Opponent's HARMONIE mark and the wares and services associated with the Applicant's HARMONY GRAINS mark were manufactured, sold or performed by the same person.

[29] The s. 12(1)(d) ground of opposition therefore succeeds.

Section 16(3)(a) and s. 38(2)(d) Grounds of Opposition

[30] The s. 16(3)(a) and s. 38(2)(d) grounds of opposition also turn on a determination of the issue of the likelihood of confusion between the Mark and the Opponent's marks. The material dates for assessing the likelihood of confusion in respect of the non-entitlement and non-distinctiveness grounds are, respectively, the Applicant's filing date and the date of opposition. In my view, the differences in material dates do not have any significant impact on the determination of the issue of confusion between the trade-marks of the parties. Thus, my finding

above that the trade-marks are likely to be confused applies to these grounds of opposition which also succeed.

Remaining Ground of Opposition

[31] In view that the Opponent has succeeded on four grounds of opposition, I do not consider it necessary to discuss the remaining ground of opposition.

Disposition

[32] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application pursuant to s. 38(8) of the Act.

Cindy R. Folz
Member,
Trade-marks Opposition Board
Canadian Intellectual Property Office