

TRADUCTION/TRANSLATION



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

Citation: 2012 TMOB 91
Date of Decision: 2012-05-15

**IN THE MATTER OF AN OPPOSITION by IGA
Canada Limited to application Nos. 1,381,747 and
1,381,749 for the trade-marks COUCHE-TARD
MENU and COUCHE-TARD MENU & Design in
the name of Alimentation Couche-Tard Inc.**

[1] On February 3, 2008, Alimentation Couche-Tard Inc. (the Applicant) filed applications to register the trade-marks COUCHE-TARD MENU and COUCHE-TARD MENU & Design (reproduced below) (hereafter, occasionally, collectively referred to as the Marks), on the basis of proposed use of the Marks in Canada in association with the following services: “convenience store services; operation of grocery stores and food shops”.



[2] Application No. 1,381,749 includes a claim for colour as a feature of the trade-mark. More specifically, the background is blue. The owl and the tomato are red. The conical shape in the background of the word “Menu”, the circle around said word and the stem of the tomato are green. The reading matter, the owl’s eyes and beak, and the fork are white. The outline of the letters forming the word “Menu” is black.

[3] The applications were advertised for opposition purposes in the *Trade-marks Journal* of October 1, 2008 (in the case of application No. 1,381,747), and March 25, 2009 (in the case of application No. 1,381,749).

[4] IGA Canada Limited (the Opponent) filed statements of opposition against both applications, on February 26 and May 8, 2009, respectively. The grounds of opposition, which are identical in both files, may be summarized as follows:

1. The applications do not conform to the requirements of paragraphs (e) and (i) of section 30 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act), in that the Applicant does not intend to use the Marks in Canada and falsely stated being satisfied that it was entitled to use the Mark in Canada in association with the Services since, at the date of filing of the applications, the Applicant must have been aware that the Marks were confusing with the trade-mark MENU IGA & Design (reproduced below), for which an application for registration had been filed on April 26, 2009, by the Opponent under No. 1,299,367, in association with the following services: “operating supermarkets, grocery stores and convenience stores; operating gas bars; sale and rental of video recordings, video cassettes and video discs”;



2. Having regard to the provisions of section 16(3)(b) of the Act, the Applicant is not the person entitled to register the Marks in that, at the filing date of the applications, the Marks were confusing with the Opponent's trade-mark MENU IGA & Design, for which an application for registration had been filed previously; and

3. The Marks are not distinctive of the Applicant's Services within the meaning of section 2 of the Act in that neither are they adapted to distinguish nor do they actually distinguish these services from the Opponent's services under the MENU IGA & Design mark.

[5] The Applicant filed a counter statement in each file, denying all of the grounds of opposition.

[6] In support of each of its oppositions, the Opponent filed an affidavit by Charles Toupin, Senior Director, Retail Operations, of Sobeys Québec Inc. I will use the singular to refer to Mr. Toupin's two essentially identical affidavits. In support of each of its applications, the Applicant filed certificates of authenticity for registration Nos. TMA323,571 and TMA538,657 for the Applicant's COUCHE-TARD and HIBOU LOGO, and an affidavit by Daniel Valiquette, the Applicant's marketing director. I will also use the singular to refer to Mr. Valiquette's two essentially identical affidavits. The Opponent also filed as reply evidence pursuant to section 43 of the *Trade-marks Regulations*, SOR/96-195, a certified copy of trade-mark registration No. TMA755,709 for its MENU IGA & Design mark showing that application No. 1,299,367 matured to registration on December 18, 2009, in association with the following services: "operating convenience stores".

[7] The Applicant rightly raises a reasonable objection to the filing of this so-called reply evidence on its reception, on the basis that such evidence was not, in the present matter, reply evidence pursuant to section 43 the Regulations but further evidence for which leave should have been applied for under section 44(1) of the Regulations. It should also be noted in this regard that the Opponent also failed to amend its statement of opposition to allege any registration of a trade-mark (a ground usually based on section 12(1)(d) of the Act). Consequently, I will not consider this registration in my analysis.

[8] Each of the parties filed a written argument in each file. Even though an oral hearing had been requested, this was cancelled at the request of the parties.

Analysis

Onus

[9] The onus is on the Applicant to show that each of its applications meets the requirements of the Act. However, it is up to the Opponent to ensure that each of its grounds of opposition is duly argued and to meet its initial evidentiary burden by establishing the facts used to support its grounds of opposition. Once this initial burden is met, the Applicant has to prove, on a balance of probabilities, that none of these grounds of opposition prevents the registration of the Mark [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FC); and *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].

[10] Applying those principles to this case, the grounds of opposition based on sections 30(e) and (i) of the Act may be summarily rejected since the Applicant failed to meet its initial burden of proof under the Act.

[11] Specifically with respect to the ground of opposition based on section 30(i) of the Act, where an applicant has filed the statement required by this provision, such a ground should only succeed in exceptional cases, such as where there is evidence of bad faith on the applicant's part [see *Sapodilla Co Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB)]. There is no evidence of bad faith on the Applicant's part in this case.

[12] Specifically with respect to the ground of opposition based on section 30(e) of the Act, there is no evidence on file that would allow me to conclude that, at the date of filing of the present applications for registration, the Applicant did not intend to use the Marks in Canada. On the contrary, the Applicant's evidence, filed by Mr. Valiquette, confirms this intention and demonstrates moreover that the Applicant had in fact started using the Marks in Canada a few months following the filing of its applications.

[13] The two other grounds of opposition hinge on the likelihood of confusion between the Marks and the Opponent's trade-mark MENU IGA & Design. I will begin my analysis of the

likelihood of confusion between the Mark and this one of the Opponent's marks with regard to the ground of opposition based on section 16(3)(b) of the Act.

Ground of opposition based on section 16(3)(b) of the Act

[14] To discharge its initial burden of proof as regards this ground of opposition, the Opponent must show that its application for registration was filed prior to the date on which the Applicant's applications were filed and that its application was pending at the date of advertisement of each of the Applicant's applications [section 16(4) of the Act]. Since this initial burden has been met in the present matter, the Applicant must now show, on a balance of probabilities, that there was no likelihood of confusion between each of its Marks and the Opponent's trade-mark MENU IGA & Design at the filing date of the applications.

[15] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that 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.

[16] In deciding whether trade-marks are confusing, the Registrar must have regard to all of the surrounding circumstances, including those specifically listed at section 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 the trade-marks 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 in appearance or sound or in the ideas suggested by them. This is not an exhaustive list, and different weight may be given to the various factors depending on the context [see *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401, (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc et al* (2011), 92 CPR (4th) 361].

(a) the inherent distinctiveness of the trade-marks and the extent to which they have become known

[17] The Applicant's Marks and the Opponent's MENU IGA & Design mark all possess equivalent inherent distinctiveness, albeit slightly less so in the case of the MENU IGA & Design mark, given that the portion made up of the initials "IGA" is less inherently distinctive than the portion consisting of the word COUCHE-TARD [see, for example, *GSW Ltd v Great West Steel Industries Ltd. et al.* (1975), 22 CPR (2d) 154 (FCTD), which discussed the little inherent distinctiveness of initials and letters of the alphabet as components of trade-marks].

[18] The strength of a trade-mark may be increased by making it known through promotion and use. Such promotion and use does not, however assist the parties in the present matter given that they started after the material date for assessing the present ground of opposition, as my review, below, of the evidence filed by each of the parties will show.

[19] First, with regard to the evidence of use of the Opponent's MENU IGA & Design mark, Mr. Toupin's affidavit establishes the following.

[20] Mr. Toupin states that he has been Senior Director of Retail Operations at Sobeys for 10 years. As part of his duties, Mr. Toupin is responsible for negotiating agreements with stores affiliated with Sobeys in the so-called multi-surface sector, which covers convenience and local grocery stores ranging in size from 2,000 to 7,000 square feet. Mr. Toupin states that he is also involved in the operational development of new retail sales concepts in the multi-surface sector.

[21] Mr. Toupin states that, as the Opponent's licensee and agent, Sobeys has the exclusive right to grant, in Quebec, through affiliation agreements, sub-licences of the IGA trade-mark and other Sobeys trade-marks and to supervise the use of these marks.

[22] Mr. Toupin explained that, in 2005, Sobeys developed a new retail sales concept for food products to be introduced in medium-size stores, that is, stores that are larger than a convenience store but smaller than a supermarket, such as the supermarkets operating under the IGA or IGA

EXTRA banners. Other than the sale of food staples, this new concept provides for the sale of prepared and ready-to-eat products, such as salads, roast chicken, pasta and soup. It is this concept that is covered by the trade-mark MENU IGA & Design. To this effect, Mr. Toupin filed Exhibit CT-1, a copy of the particulars of the application to register this trade-mark.

[23] Mr. Toupin states that the new concept was introduced in December 2007 at a store affiliated with Sobeys, located in Bois-des-Filions, Quebec. According to Mr. Toupin, this store offers ready-to-eat products, some of which are displayed on a hexagonal, refrigerated table. To this effect, Mr. Toupin filed Exhibit CT-2, a photograph of the table in question.

[24] Mr. Toupin continues his affidavit by stating that, since August 27, 2009, the affiliated Bois-des-Filions store has been using the trade-mark MENU IGA & Design. To this effect, he filed Exhibit CT-3, photographs showing how the MENU IGA & Design mark is used by this store, in compliance with the licences and sub-licences mentioned above. Still according to Mr. Toupin, the business of this affiliated store has been generating weekly sales of over \$40,000 since use of the trade-mark MENU IGA & Design started.

[25] Given that use of the MENU IGA & Design mark started only in August 27, 2009, that is, after the material date for assessing the present ground of opposition, such use cannot be considered, as indicated earlier, in determining the extent to which this trade-mark had become known on the filing date of the applications at issue.

[26] Turning now to the evidence of use of the Applicant's Marks, the affidavit of Mr. Valiquette establishes the following.

[27] Mr. Valiquette states that he has been employed by the Applicant for over 20 years. First, he provides a detailed description of the Applicant and its activities. Mr. Valiquette explains, among other things, that the Applicant is a major, developing Canadian service company in the convenience store market. Close to 30 years after opening its first store in Laval, Quebec, the Applicant is now the leader of the Canadian convenience industry and also operates the largest

chain of independent convenience stores in North America. Mr. Valiquette states that the Applicant today employs over 53,000 people and achieves annual sales of over US\$15 billion.

[28] The Applicant's three main banners are COUCHE-TARD, MAC'S and CIRCLE K. The Applicant operates a network of 5,900 stores in the 10 Canadian provinces and in 43 US states.

[29] Mr. Valiquette continues her affidavit with a brief description of some of the trade-marks used by the Applicant. Mr. Valiquette states that, other than using its corporate name, in Canada, the Applicant owns the trade-mark COUCHE-TARD and its various word and graphic variations, some of which have been used since as early as 1980 in association with, among other things, grocery store operation services. The Applicant also holds the HIBOU LOGO trade-mark (reproduced below and corresponding to the mark covered by registration No. TMA538,657, above), which has been in use since at least as early as 1996 in association with, among other things, the same services:



[30] Specifically with respect to the Marks, Mr. Valiquette states that the Applicant has used them in Canada in association with the Services since at least as early as May 2008.

[31] Mr. Valiquette explains that the Marks were adopted by the Applicant to introduce a new concept of convenience stores selling a range of ready-to-eat food products to the Canadian marketplace. As a result of this new concept, some of the convenience stores operated by the Applicant have been marketed and/or fitted up in a particular manner. The Applicant's Services are offered under the new COUCHE-TARD MENU banner in these newly renovated establishments.

[32] Mr. Valiquette states that since the official launch in Canada of its new banner in May 2008, the Applicant has been offering its Services in association with the Marks in nine stores in Quebec. According to Mr. Valiquette, at least 20 further establishments are planned for the next few years.

[33] Mr. Valiquette states that since opening its first COUCHE-TARD MENU branch, the Applicant has achieved over \$3 million in sales for the Services associated with the Marks. Regarding the promotion and advertising of the Services offered under the Marks, Mr. Valiquette states that, between 2007 and 2009, the Applicant invested over \$100,000 in advertising, excluding the money spent on promoting the Services. Mr. Valiquette filed as Exhibit DV-5 promotional pamphlets handed out at the opening of some COUCHE-TARD MENU stores. He also filed, as Exhibit DV-6, a copy of a press release issued by the Applicant on May 28, 2008, regarding the launch of the new COUCHE-TARD MENU banner, and, as Exhibit DV-8, various articles published in various media dealing, among other things, with the Services associated with the Marks.

[34] Specifically with respect to the way in which the Marks are used, Mr. Valiquette filed as Exhibits DV-2 and DV-3, respectively, representative photographs of outdoor signage and the interiors of COUCHE-TARD MENU stores to show how the Marks are used in association with the Services. As the Opponent rightly points out, it is impossible, however, to identify the Marks on the photographs showing the interiors of the stores.

[35] Mr. Valiquette points out that the Marks are closely related to the Applicant's COUCHE-TARD and HIBOU LOGO marks. He also adds in this respect that the Applicant's COUCHE-TARD and HIBOU LOGO marks are well known to Canadian consumers since there are over 2,000 COUCHE-TARD or MAC'S stores, in association with which the HIBOU LOGO is also used, across Canada, as illustrated by the representative photographs of the outdoor signage of COUCHE-TARD and MAC'S stores filed in a bundle as Exhibit DV-4 in support of his affidavit. It should be noted at this stage of my analysis that the extent to which the Applicant's COUCHE-TARD and HIBOU LOGO marks have become known in Canada is not relevant as

such to the extent to which the Marks *themselves* have become known. This circumstance is however relevant as an additional circumstance, to which I will return later in my analysis.

[36] Given that use of the Marks commenced only in May 2008, that is, after the material date for assessing the present ground of opposition, such use cannot be taken into consideration, as indicated earlier, to determine the extent to which these trade-marks had become known at the filing date of the present applications.

[37] In conclusion on this first factor, the extent to which the parties' marks had become known at the filing date of the applications is of no help to either of the parties. Given, however, that the Marks are slightly more inherently distinctive than the MENU IGA & Design mark, the overall consideration of this first factor tends to favour the Applicant.

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

[38] As indicated above, the Marks have been used since May 2008, while the MENU IGA & Design mark has been in use since August 27, 2009. As these dates are later than the filing date of the applications, this factor is of no assistance to either party.

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

[39] The Applicant's Services directly overlap the Opponent's services described in its application No. 1,299,367. In fact, the parties' evidence clearly establishes that the parties' services and the nature of their trades are identical. From the outset, these factors unquestionably favour the Opponent.

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

[40] As noted by the Supreme Court in *Masterpiece, supra*, at paragraph 49, the factor likely to have the most importance in the confusion analysis, and which is decisive in most cases, is the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them.

[41] Moreover, as mentioned above, it is well established in the case law that likelihood of confusion is a matter of first impression and imperfect recollection. In that respect, “[w]hile the marks must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public’s perception of it” [see *Pink Panther Beauty Corp v United Artists Corp* (1998), 80 CPR (3d) 247 (FCA), at paragraph 34].

[42] Therefore, while in some cases the first word will be the most important element for the purposes of a trade-mark’s distinctiveness, the Supreme Court stated at paragraph 64 of *Masterpiece* that a preferable approach is to first consider whether any aspect of the trade-mark is particularly striking or unique.

[43] Applying these principles to the files at hand, I agree with the the Applicant that the parties’ marks are clearly dissimilar in nearly every respect and can be readily distinguished from one another. Their only point of similarity is the inclusion of the word “MENU”, which is suggestive to say the least in the context of the parties’ services focussing on the sale of food products, including ready-to-eat products.

[44] Considering, more specifically, the COUCHE-TARD MENU mark, I find that the determinative component is the first portion of the mark made up of the word “COUCHE-TARD”, which is used in a fanciful manner in the context of the Applicant’s convenience store services, while the word “MENU” plays a subservient role and has a suggestive, if not descriptive, connotation.

[45] The same applies when the Applicant’s COUCHE-TARD MENU & Design mark is considered. Even though the word “MENU” stands out from the mark because of the way it is placed on a green, conical-shaped background, I find that the first portion of the mark, namely, the word “COUCHE-TARD” written in white on a blue background and the component made up of the red owl logo play a determinative role. In other words, here, too, the word “MENU” plays a subservient role.

[46] In contrast, I find that the particular design of the word “MENU” in the Opponent’s MENU IGA & Design mark is as important as the component made up of the bold capital letters “IGA”.

[47] Before reaching a conclusion on this fifth factor, I would like to briefly comment on the Opponent’s following argument:

[TRANSLATION]

It appears from a comparison of Exhibits CT-3 and DV-3 that the word MENU is the dominant portion of each of the marks at issue. Moreover, Exhibit DV-3 filed in support of the Applicant’s affidavit shows that the Applicant does not use [the Marks] as filed since the photographs that make up Exhibit DV-3 display use of the work MENU accompanied by the owl design without the words COUCHE-TARD. The word MENU is also the dominant component of the Applicant’s mark.

[48] The fact that the photographs of the interior of the Applicant’s stores filed as Exhibit D do not show the Marks as such but rather another mark, namely the design of the mark that is the subject matter of application No. 1,381,749, but without the COUCHE-TARD word component, is not relevant in the present cases. Here, I must assess the likelihood of confusion between the Marks at issue in the present applications and the Opponent’s MENU IGA & Design mark and not the likelihood of confusion between this other trade-mark of the Applicant’s and the Opponent’s mark.

[49] In conclusion on this fifth factor, I find that the significant differences between the parties’ trade-marks in appearance, sound and the ideas they suggest favour the Applicant.

Additional circumstances

Use of the COUCHE-TARD and HIBOU LOGO marks

[50] As indicated earlier, the evidence filed by Mr. Valiquette describes the use of the Applicant’s COUCHE-TARD and HIBOU LOGO trade-marks. Even though this evidence of use is not particularly exhaustive and does not date back to the dates of first use provided by Mr. Valiquette, it is nonetheless my opinion that the information provided by Mr. Valiquette

about the Applicant's activities (specifically those concerning, among other things, the Applicant's development and expansion since the 1980s, its position as a leader in the Canadian convenience industry and its annual sales figures), combined with the specimens of use provided, support the Applicant's submission that these marks had become known to Canadian consumers on the filing date of the present applications. Since the COUCHE-TARD mark is used in its entirety in the Marks and constitutes their determinative component and since the HIBOU LOGO is used in its entirety in the COUCHE-TARD MENU & Design mark and is also a prominent component of that mark, I consider this to be an additional circumstance favouring the Applicant in the present matter, even though the circumstance is not determinative as such.

Absence of confusion

[51] The Applicant submits that the Opponent has not demonstrated confusion between the marks at issue. It is true that Mr. Toupin's affidavit is silent on this subject. It must be recalled, however, that the Opponent was not required to demonstrate such confusion. Moreover, use of the parties' marks commenced after the filing date of the applications. In the circumstances, it is my view that this additional circumstance does not favour either party.

Similar concepts

[52] The Opponent submits that when the Applicant developed its new convenience store concept marketed under the COUCHE-TARD MENU banner, the concept of a convenience store offering ready-to-eat products had already been established in December 2007 at the Sobeys-affiliated store in Bois-des-Filions referred to above. The Opponent submits that the Applicant reproduced elements of this concept in its stores.

[53] More specifically, the Opponent submits that Mr. Toupin's affidavit establishes that one of the Applicant's convenience stores offers ready-to-eat foods on a hexagonal table, as does the store affiliated with the Opponent in Bois-des-Filions. Mr. Toupin does indeed state in his affidavit that he visited the COUCHE-TARD MENU branch located at Champs Fleuris in Laval, Quebec, on May 26, 2009, and that he noted that this branch sold ready-to-eat products, in addition to grocery products such as baked goods and dairy products, as does the Bois-des-Filions store affiliated with Sobeys, and that this branch sold sandwiches and other ready-to-eat

foods that were displayed on a hexagonal table by the store entrance. Mr. Toupin adds that use of the Marks in association with retail sale services related to food products, including ready-to-eat products displayed on a hexagonal table at the store entrance, is likely to cause confusion with the MENU IGA & Design mark in the minds of consumers.

[54] The fact that the Applicant supposedly reproduced elements of the Opponent's concept in its stores also postdates the material date. I note, moreover, that no photograph of the hexagonal table found at the Applicant's branch is appended to Mr. Toupin's affidavit, while the photographs filed by Mr. Valiquette as Exhibit DV-3 to illustrate the interiors of the Applicant's stores show tables and displays of different shapes and sizes. Consequently, I am not prepared to give any weight to the Opponent's argument that the "get-up" or presentation of the parties' stores is so similar as to constitute an additional circumstances that must be taken into consideration in the present matters, not to mention the fact that such a circumstance would seem more relevant in a passing off case.

[55] I am also not prepared to give any weight to Mr. Toupin's personal opinion on the likelihood of confusion between the parties' marks. The issue of confusion is a mixed question of fact and law to be determined by the Registrar on the basis of all the evidence.

Conclusion – likelihood of confusion

[56] Based on all of the above, it is my opinion that the Applicant has established, on a balance of probabilities, that a consumer having an imperfect recollection of the Opponent's MENU IGA & Design mark would have been unlikely to conclude, at the filing date of the applications, that the Services associated with the Applicant's Marks were from the same source or were otherwise related to or associated with the Opponent's services. Accordingly, I reject the ground of opposition based on section 16(3)(b) of the Act.

Ground of opposition alleging non-distinctiveness

[57] To meet its initial evidentiary burden for non-distinctiveness, the Opponent must show that its MENU IGA & Design mark had become sufficiently known in Canada at the date of each of the statements of opposition to negate the distinctiveness of the Mark [see *Motel 6, Inc v No 6*

Motel Ltd (1981), 56 CPR (2d) 44 (FC); and *Bojangles' International, LLC and Bojangles Restaurants, Inc v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FC)]. Since use of the MENU IGA & Design mark did not commence before August 27, 2009, the Opponent has not met its initial burden. Consequently, I reject the non-distinctiveness ground of opposition.

Disposition

[58] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject each of the oppositions pursuant to section 38(8) of the Act.

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Certified true translation
Johanna Kratz, Translator