



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

Citation: 2011 TMOB 254
Date of Decision: 2011-12-21

**IN THE MATTER OF AN OPPOSITION
by 436775 Ontario Inc. to application
No. 1,101,972 for the trade-mark GREEN
GROCER'S & Design in the name of Lidl
Siftung & Co. KG**

[1] On May 2, 2001, Lidl Siftung & Co. KG (the Applicant) filed an application to register the trade-mark GREEN GROCER'S & Design (the Mark), shown below, for "prepared meals consisting essentially of vegetables; all aforementioned goods also deep frozen", as amended (the Wares) based on use and registration in Germany on August 30, 1995, under No. 395 25 575.



[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of April 30, 2008.

[3] On June 26, 2008, 436775 Ontario Inc. (the Opponent) filed a statement of opposition. The grounds of opposition can be summarized as follows:

- Pursuant to s. 38(2)(a) and 30(d) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act), the application does not conform with the requirements of s. 30(d) of

the Act in that, as at the date of filing of the application, the Applicant had not used the Mark in Germany in association with the Wares.

- Pursuant to s. 38(2)(a) and 30(i) of the Act, the Applicant, as at the date of filing the application and all material times, was aware of the Opponent's earlier adoption and use in Canada of its GREEN GROCER & Design trade-marks, details set out below in the s. 12(1)(d) ground of opposition. Furthermore, the Applicant could not have been satisfied that it was entitled to use the Mark in Canada in association with the Wares having regard to the allegations set forth in the statement of opposition.
- Pursuant to s. 38(2)(b) and 12(1)(d) of the Act, the Mark is not registrable as it is confusing with the Opponent's GREEN GROCER trade-marks, as follows (the Opponent's Registered Marks):
 - i. GREEN GROCER & Design, shown below, subject to registration No. TMA418,389, registered in 1993 for "packaged and bulk packed fresh fruits and vegetables; pre-packaged fresh fruits and vegetables" (the Opponent's Wares).



- ii. GREEN GROCER & Design, shown below, subject to registration No. TMA425,938, registered in 1994 for the Opponent's Wares.



- Pursuant to s. 38(2)(c) and 16(2)(a) of the Act, the Applicant was not the person entitled to registration of the Mark at the filing date, because the Mark is confusing with the Opponent's Registered Marks used in Canada since 1993 and 1994 respectively, as well as with the trade-mark GREEN GROCER which has been used in Canada in association with the Opponent's Wares since at least as early as May 1983.
- Pursuant to s. 38(2)(c) and 16(2)(c) of the Act, the Applicant was not entitled to registration of the Mark at the filing date, because the Mark is confusing with

the trade-name The Greengrocer Inc., previously and currently used in Canada by the Opponent in association with the carrying on of business related to the sale and distribution of the Opponent's Wares.

- Pursuant to s. 38(2)(d) and 2 of the Act, the Mark is not distinctive or adapted to distinguish the Wares from the wares of others, in particular the Opponent's Wares. The Mark is also not distinctive and is not adapted to distinguish the Wares from the goods sold in association with the trade-name of the Opponent's licensee, The Greengrocer Inc.

[4] The Applicant served and filed a counter statement in which it denied the Opponent's allegations and put the Opponent to the strict proof thereof.

[5] In support of its opposition, the Opponent filed certified copies of the registrations for its trade-marks, namely TMA418,389 for GREEN GROCER & Design and TMA425,938 for GREEN GROCER & Design as well as an affidavit of Joseph Polito, President of the Opponent, sworn January 12, 2009 with Exhibits A – C.

[6] The Applicant did not file any evidence in support of its application.

[7] Both parties filed written arguments and an oral hearing was not held. I note that the Applicant originally requested an oral hearing but the hearing was subsequently cancelled upon receipt of the Applicant's letter dated July 19, 2011 advising that the Applicant would not be represented at the oral hearing. Furthermore, I note that the Applicant's written argument is essentially a reiteration of the counter statement along with the unsubstantiated submissions that (a) the Opponent has not proven the allegations in its statement of opposition and thus failed to meet its evidential burden and (b) the Applicant has met its legal burden.

Onus and Material Dates

[8] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidential 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 Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].

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

- s. 38(2)(a)/30(d) and (i) - the date of filing the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 at 475 (T.M.O.B.) and *Tower Conference Management Co. v. Canadian Exhibition Management Inc.* (1990), 28 C.P.R. (3d) 428 at 432 (T.M.O.B.)].
- s. 38(2)(b)/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(2)(a) and (c) – the date of filing the application [see s. 16(2) of the Act].
- s. 38(2)(d)/2 - 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.)].

Non-compliance with Section 30 of the Act

Sections 30(d) of the Act

[10] The Opponent has not provided any evidence or argument in support of its allegation that the Applicant has not used the Mark in Germany as claimed in the application. As a result, I find that the Opponent has failed to meet its evidential burden and this ground of opposition is dismissed accordingly.

Section 30(i) of the Act

[11] 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]. The Applicant has provided the necessary statement and this is not an exceptional case; the s. 30(i) ground is accordingly dismissed.

Non-registrability Ground of Opposition – s. 12(1)(d) of the Act

[12] An opponent's initial onus is met with respect to a s. 12(1)(d) ground of opposition if the registrations relied upon are in good standing as of the date of the opposition decision. The Registrar has discretion to check the register in order to confirm the existence of the registration(s) relied upon by an opponent [see *Quaker Oats of Canada Ltd./La Compagnie Quaker Oats du Canada Ltée v. Menu Foods Ltd.* (1986), 11 C.P.R. (3d) 410 (T.M.O.B.)]. I have

exercised that discretion and confirm that the registrations for the Opponent's Registered Marks remain valid and therefore the Opponent has satisfied its evidential burden. I must now assess whether the Applicant has met its legal burden.

[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.

[14] 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. [See, in general, *Mattel, Inc. v. 3894207 Canada Inc.* (2006), 49 C.P.R. (4th) 321 (S.C.C.) and *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 96 C.P.R. (4th) 361 (S.C.C.).]

[15] Throughout my discussion of the evidence as it applies to the analysis of the grounds of opposition, I will not refer to or place any weight on any statements made by Mr. Polito which constitute opinions on issues that go to the merit of the opposition [see *British Drug Houses Ltd. v. Battle Pharmaceuticals* (1944), 4 C.P.R. 48 at 53 and *Les Marchands Deco Inc. v. Société Chimique Laurentide Inc.* (1984), 2 C.P.R. (3d) 25 (T.M.O.B.)].

Section 6(5)(a) – the inherent distinctiveness of the trade-marks and the extent to which they have become known

[16] The Mark features the word element GREEN GROCER'S. The Opponent's Registered Marks include the almost identical word element GREEN GROCER. I can take judicial notice of dictionary definitions for the words "green" and "grocer" [see *Envirodrive Inc. v. 836442 Canada Inc.*, 2005 ABQB 446; *Aladdin Industries, Inc. v. Canadian Thermos Products Ltd.* (1969), 57 C.P.R. 230 (Ex. Ct.), *aff'd* (1974), 6 C.P.R. (2d) 1 (S.C.C.)]. The word "grocer" is defined in *The Canadian Oxford Dictionary* as "a person who owns or operates a grocery store".

There are a number of definitions for the word “green” in *The Canadian Oxford Dictionary*, including “of the colour between blue and yellow in the spectrum; coloured like grass”, and more on point, “consisting of fresh green vegetables: a green salad”. The word elements of the parties’ marks are therefore both suggestive of the associated wares.

[17] The parties’ marks both also feature design elements. Specifically, both parties’ marks feature designs of vegetables. The Opponent’s Registered Marks also feature a design of a man. Based on the definitions above, it is reasonable to infer that the man in the Opponent’s marks is a “green grocer”. All of the design elements in both parties’ marks are suggestive of the parties’ wares.

[18] In its written argument, the Opponent submits that “the term GROCER is old fashioned and no longer in common use in the industry and thus, this idea of a traditional or old time ‘grocer’ would be considered a reference to the past and would therefore stand out in the minds of consumers.” In the absence of evidence supporting this submission, I am not willing to accept it.

[19] Based on the foregoing, I assess the inherent distinctiveness of the parties’ marks as being the same, and as being quite low due to the suggestive nature of both the word and design elements of the marks, all of which relate to the associated wares.

[20] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. I will now turn to the extent to which the trade-marks have become known in Canada.

[21] The Applicant has not provided any evidence of use of the Mark subsequent to the filing date and thus I can only conclude that it has not become known to any extent.

[22] In his affidavit, Mr. Polito states that products bearing one or more of the Opponent’s GREEN GROCER marks were first sold in Canada in 1993. Mr. Polito also provides evidence regarding the ownership of the Opponent’s GREEN GROCER marks and details of a license to The Greengrocer Inc. Specifically, Mr. Polito states that the Opponent is a holding company for a federally licensed importing company identified as The Greengrocer Inc., also known as Caledonia Produce Dist. (the Opponent’s Licensee). The Opponent is in the produce import

business and sells fresh produce to Canadian wholesale and retail companies. The Opponent licenses the GREEN GROCER marks to the Opponent's Licensee. Mr. Polito states that the Opponent maintains direct and indirect control over the character and quality of the Opponent's Wares and supervises the use of the Opponent's GREEN GROCER marks by the Opponent's Licensee. Mr. Polito attaches to his affidavit a copy of the associated license agreement. Mr. Polito states that in his capacity as President of the Opponent, he routinely inspects the wares in association with which the GREEN GROCER marks are used by the Opponent's Licensee in order to ensure that the wares are of the proper type, character and quality. Based on the foregoing, I am satisfied that the Opponent exercises the necessary degree of care and control over the character and quality of the Opponent's Wares to comply with s. 50 of the Act such that any use of the GREEN GROCER marks by the Opponent's Licensee accrues to the Opponent.

[23] Mr. Polito provides digital photographs of packaging used for the Opponent's Wares which bears the GREEN GROCER & Design trade-mark which is subject to registration No. TMA418,389 (Exhibit C). Mr. Polito states that the packaging illustrates the typical manner in which the Opponent's Wares are shipped to Canadian customers.

[24] The Opponent provides approximate Canadian sales figures for food products bearing one or more of the Opponent's GREEN GROCER marks for the years 1999 – 2008. In his affidavit, Mr. Polito explains that due to the computer software used by the Opponent for tracking its sales records, he was unable to obtain sales figures back to the claimed first use date of 1993. Sales of the Opponent's Wares ranged from approximately \$2.9 million in 1999 to approximately \$6.8 million in 2008. The Opponent provides sample invoices for the years 1997 – 2003 in support of the sales figures. I note that the invoices all display the GREEN GROCER & Design trade-mark which is subject to registration No. TMA418,389.

[25] Based on a review of the evidence as a whole, I am satisfied that the GREEN GROCER & Design trade-mark which is subject to registration No. TMA418,389 has developed a substantial reputation in Canada.

[26] Based on the foregoing, this factor significantly favours the Opponent.

Section 6(5)(b) – the length of time each has been in use

[27] The application for the Mark is based on use and registration in Germany and the Applicant has not filed any evidence of use subsequent to the filing date.

[28] As discussed further above in the analysis of the s. 6(5)(a) factor, the Opponent has provided significant evidence of use of the GREEN GROCER & Design mark which is subject to registration No. TMA418,389.

[29] Whether I accept the evidence as supporting a finding of use of the GREEN GROCER & Design mark (TMA418,389) since 1993, 1997 or 1999, this factor significantly favours the Opponent as all three dates are substantially earlier than the Applicant who has not provided any evidence of use of the Mark whatsoever.

Sections 6(5)(c) and (d) – the nature of the wares, trade and business

[30] It is the Applicant's statement of wares as defined in its application versus the Opponent's registered wares that govern my determination of this factor [see *Esprit International v. Alcohol Countermeasure Systems Corp.* (1997), 84 C.P.R. (3d) 89 (T.M.O.B.)].

[31] Both parties' wares belong to the general class of "food products". More specifically, both parties feature vegetables as the primary component of their wares. As a result, I find that the parties' wares share a significant degree of similarity.

[32] In his affidavit, Mr. Polito provides evidence of the normal course of the Opponent's trade. Specifically, Mr. Polito states that the Opponent receives produce orders from Canadian wholesale and retail customers and sends these orders to its warehouse where the products are prepared and packaged in boxes/bags displaying the GREEN GROCER & Design mark (TMA418,389) and the trade-names, The Greengrocer and The Greengrocer Inc. (Exhibit C). Mr. Polito states that the produce is then shipped under the Caledonia Produce Dist trading style (another name for the Opponent's Licensee) to Canadian wholesalers and retailers (e.g. chain grocery stores) along with the associated invoices. Mr. Polito confirms that the wholesalers and retailers pay the Opponent directly. The wholesalers and retailers then sell the produce to end consumers in a typical grocery store setting.

[33] The Applicant has not provided any evidence of the nature of the Applicant's trade.

[34] Given the overlap in the nature of the parties' wares, and in the absence of evidence of the Applicant's channels of trade, I find that the Wares could be sold through the same channels of trade as the Opponent's Wares.

[35] Based on the foregoing, these factors favour the Opponent.

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

[36] The Opponent submits that in the present case the parties' marks are virtually indistinguishable when sounded, with the only difference being the possessive "s" in the Mark. I agree with the Opponent that the word elements of the parties' marks are essentially identical.

[37] The Opponent further submits that while the design elements associated with the parties' marks differ, they are similar in that they both feature images of fresh vegetables. I agree.

[38] The Opponent submits that the ideas suggested by the parties' marks would be identical by virtue of the fact that the parties' marks are comprised of the same word elements along with depictions of vegetables. I agree.

[39] Based on the foregoing, I find that the parties' marks share a significant degree of similarity in sound and ideas suggested and share some similarities in appearance due to the inclusion of the same word elements and designs of vegetables.

Conclusion

[40] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection, bearing in mind also that the Applicant has shown little interest in this proceeding (the Applicant not having filed any evidence and having filed only perfunctory written submissions). Having considered all of the surrounding circumstances, in particular, the Opponent's substantial reputation in the GREEN GROCER & Design mark (TMA418,389), the similarities in the nature of the parties' wares and the similarities between the parties' marks particularly in terms of sound and ideas suggested, I am not satisfied that the Applicant has

discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the marks at issue.

[41] Based on the foregoing, the s. 12(1)(d) ground of opposition is successful.

Non-entitlement Grounds

Section 16(2)(a) of the Act

[42] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and one or more of the Opponent's GREEN GROCER marks, the Opponent has the initial onus of proving that one or more of the trade-marks alleged in support of its ground of opposition based on s. 16(2)(a) of the Act was used or made known prior to the filing date for the Applicant's application (May 2, 2001) and had not been abandoned at the date of advertisement of the application for the Mark (April 30, 2008) [s. 16(5) of the Act].

[43] As discussed more fully above in the analysis of the s. 12(1)(d) ground of opposition, the Opponent provided evidence supporting a finding that the trade-mark GREEN GROCER & Design (TMA418,389) has been used in Canada since before the date of filing the application for the Mark, and had not been abandoned as of the date of advertisement. As a result, the Opponent has met its evidential burden. I must now assess whether the Applicant has satisfied its legal burden.

[44] The difference in material dates is not significant and as a result my findings under the ground of opposition based on s. 12(1)(d) of the Act are equally applicable here. As a result, I find that the Applicant has not discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the marks at issue

[45] The s. 16(2)(a) ground of opposition is therefore successful.

Section 16(2)(c) of the Act

[46] Despite the burden of proof on the Applicant to establish, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-name, The Greengrocer Inc., the Opponent has the initial onus of proving that the Opponent's trade-name was used or made known prior to the filing date for the Applicant's application (May 2, 2001) and had not been abandoned at the date of advertisement of the application for the Mark (April 30, 2008) [s. 16(5) of the Act].

[47] As discussed above in the analysis of the s. 12(1)(d) ground of opposition, Mr. Polito provides digital photographs of packaging used for the Opponent's Wares which, in addition to displaying the GREEN GROCER & Design trade-mark subject to registration No. TMA418,389, also displays the trade-names The Greengrocer and The Greengrocer Inc. (Exhibit C). Mr. Polito states that the packaging illustrates the typical manner in which the Opponent's Wares are shipped to Canadian customers.

[48] I am satisfied that, based on the evidence as a whole, the Opponent has evidenced use of the trade-names The Greengrocer and The Greengrocer Inc. since at least as early as 1999 and had not abandoned the trade-names as of the date of advertisement of the application for the Mark. As a result, the Opponent has met its evidential burden. I must now assess whether the Applicant has satisfied its legal burden.

[49] The difference in material dates is not significant and as a result my findings under the ground of opposition based on s. 12(1)(d) of the Act are equally applicable here. With respect to the degree of resemblance between the Mark and the Opponent's trade-name, I note that the Mark and the Opponent's trade-name feature the same word elements, namely the words "green" and "grocer". While the Mark features design elements, I am not satisfied that the suggestive designs of vegetables are sufficient to distinguish the Mark from the Opponent's trade-name. As a result, I find that the Applicant has not discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-name.

[50] The s. 16(2)(c) ground of opposition is therefore successful.

Non-distinctiveness Ground – s. 38(2)(d) of the Act

[51] While there is a legal onus on the Applicant to show that the Mark is adapted to distinguish or actually distinguishes its Wares 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.)], there is an initial evidential burden on the Opponent to establish the facts relied upon in support of the ground of non-distinctiveness.

[52] In order to meet its initial burden with respect to this ground, the Opponent must establish that one or more of the Opponent's GREEN GROCER marks and trade-name was known at least to some extent in Canada as of June 26, 2008 [see *Bojangles' International LLC v. Bojangles Café Ltd.* (2006), 48 C.P.R. (4th) 427 (F.C.) and *Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 (F.C.T.D.)].

[53] As set out in further detail above in the analysis of the s. 12(1)(d) and 16(2)(c) grounds of opposition, the Opponent has provided evidence supporting a finding that the trade-mark GREEN GROCER & Design (TMA418,389) and the trade-name The Greengrocer Inc. had developed a reputation in Canada as of the material date such that the Opponent has met its evidential burden.

[54] I must now assess whether the Applicant has satisfied its legal burden.

[55] The difference in material dates is not significant and as a result my findings under the grounds of opposition based on s. 12(1)(d) and 16(2)(c) of the Act are equally applicable here. As a result, I find that the Applicant has not discharged its burden of showing, on a balance of probabilities, that there is no reasonable likelihood of confusion between the marks and trade-names at issue.

[56] The non-distinctiveness ground of opposition is therefore successful.

Disposition

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

Andrea Flewelling
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office