

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

Citation: 2010 TMOB 46 Date of Decision: 2010-04-01

IN THE MATTER OF AN OPPOSITION by Dairy Farmers of Canada/Les Producteurs Laitiers du Canada to application No. 1,238,002 for the trademark DairyLogic in the name of ThaiDesserts Inc.

The Pleadings

- [1] On November 15, 2004, ThaiDesserts Inc. (the Applicant) filed an application to register the trade-mark DairyLogic, (the Mark) application number 1,238,002 in association with frozen desserts, puddings, yogurts, non-alcoholic yogurt beverages, and dairy-based food beverages (the Wares) and restaurant services featuring carry-out and on-site consumption of food (the Services). The Applicant has disclaimed the right to the exclusive use of "Dairy" apart from the trade-mark as a whole.
- [2] The application is based on proposed use in Canada. The application was advertised on July 20, 2005 in the *Trade-marks Journal* for opposition purposes.
- [3] Dairy Farmers of Canada/Les Producteurs Laitiers du Canada (the Opponent) filed a statement of opposition on December 20, 2005 which was forwarded on January 24, 2006 to the Applicant by the Registrar. On February 1, 2006 the Applicant filed what was identified as a counter statement. It does contain the following statement: "their representations are unsubstantiated…". I shall treat such assertion as a denial of the Opponent's grounds of

opposition. The argumentative portion of the counter statement shall be disregarded. The parties' arguments should be contained in a written argument or presented at the oral hearing.

- [4] The Opponent filed as its evidence the affidavit of Ian MacDonald while the Applicant chose not to file any.
- [5] None of the parties filed written arguments and there was no oral hearing.

The Grounds of Opposition

- [6] The grounds of opposition pleaded are:
 - 1. The Application does not comply with the requirements of s. 30 of the *Trade-marks Act*, R.S.C. 1985 c. T-13 (the "Act") in that the Applicant has already used the Mark or alternatively or cumulatively the Applicant never had the intention to use the Mark in Canada;
 - 2. The Application does not comply with the requirements of s. 30 of the Act in that it is falsely that the Applicant declared itself satisfied that it was entitled to use the Mark in Canada in view of the foregoing and in light of the content of several federal and provincial legislations;
 - 3. The Application does not comply with the requirements of s. 30(a) of the Act as it does not contain a statement in ordinary commercial terms of the specific wares in association with which the Mark would have been used, the terms "frozen desserts" and "puddings" not having, in the context of the opposed application, the required degree of specificity required by the Act;
 - 4. The Mark is not registrable in view of s. 12(1)(b) of the Act because it is, whether depicted, written or sounded, either clearly descriptive or deceptively misdescriptive in the English language of the character or quality of the wares in association with which it is proposed to be used since the average consumer would conclude that the wares contain or will always contain dairy products;
 - 5. The Applicant is not the person entitled to the registration of the Mark since the opposed application does not comply with the requirements of the s. 30 of the Act, the Mark is not registrable, and the Mark is not a proposed one but rather a used one or an abandoned one, by way of non-continuous use, as the case may be. Accordingly the application should be refused pursuant to the introductory paragraph of s. 16(3) of the Act;
 - 6. Pursuant to s. 38(2)(d) and s. 2 of the Act, the Mark is not distinctive of the wares of the Applicant since the Mark does not actually distinguish the Wares in association with which the Mark is proposed to be used by the Applicant from the wares or services of others, including the Opponent, nor is it adapted to so distinguish them.

Burden of Proof in Trade-marks Opposition Proceedings

The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial evidential onus 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. Once this initial onus is met, the Applicant has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722].

Grounds of opposition summarily dismissed

- [8] Mr. MacDonald is the Opponent's National Director, Marketing and Nutrition. I have reviewed his affidavit and will refer to specific relevant portions when assessing particular grounds of opposition. However a full review of the content of Mr. Macdonald's affidavit permits me to conclude that there is no evidence of facts that would support the first and third grounds of opposition. The Opponent having failed to meet its initial onus, those grounds of opposition are dismissed.
- [9] As for the fifth ground of opposition, s. 16 of the Act is the basis of a ground of opposition known as "entitlement". Registrability of a trade-mark (s. 12 of the Act) and compliance to the provisions of s. 30 of the Act are grounds of opposition by themselves. Section 16 of the Act lists the facts that an opponent must prove in order to be successful under that ground of opposition. The introductory paragraph of s. 16 of the Act, by itself, does not define a valid ground of opposition by which non-compliance and registrability issues could be raised. The fifth ground of opposition is also dismissed.

Registrability of the Mark under s. 12(1)(b) of the Act

[10] At the outset I should point out that this ground of opposition as drafted only concerns the Wares. The registrability of the Mark under s. 12(1)(b) of the Act must be assessed at the filing date of the application (November 5, 2004) [see *Dic Dac Holdings (Canada) Ltd v. Yao Tsai Co.*

- (1999), 1 C.P.R. (4th) 263, Zorti Investments Inc.v. Party City Corporation (2004), 36 C.P.R. (4th) 90; Havana Club Holdings S.A. v. Bacardi & Company Limited, (2004) 35 C.P.R. (4th) 541].
- [11] Mr. MacDonald states that the Opponent is mandated by the dairy producers for, among other duties, the protection of the use of terms related to dairy products such as milk, cream and butter. I note that the deponent alleges in paragraph 8 of his affidavit that "...the expression "DAIRY" in ThaiDesserts' trade-mark application is <u>suggestive</u> of the fact that the wares are made of a dairy product... as a sole or main ingredient" (my underline). Mr MacDonald has filed extracts of various English dictionaries for the definition of the term "DAIRY". In paragraph 11 he describes what would be the first impression of the average consumer regarding the composition and nature of some of the products associated with the Mark, namely frozen desserts and puddings. He concludes that paragraph by stating that such consumer would think that the puddings and frozen desserts sold in association with the Mark are made with a dairy product as a sole or main ingredient.
- [12] I note that the Opponent's evidence with respect to this ground of opposition concerns only frozen desserts and puddings. This is quite understandable as there is nothing wrong in having a trade-mark as a whole suggestive of the character or quality of the wares. According to the Opponent's own evidence concerning the definition of the word "dairy" there is no doubt that "yogurt" falls in that general class of wares. In any event in the absence of specific reference in the evidence to yogurts, non-alcoholic yogurt beverages, and dairy-based food beverages, and without any written or oral argument with respect to those wares it is impossible for me to conclude in favour of the Opponent with respect to them.
- [13] Mr. Macdonald's opinion on how the Mark might be perceived by the average Canadian consumer is certainly not binding on the Registrar. Mr MacDonald has not provided any detailed information on his background that would enable me to conclude that he is qualified to render an opinion on this issue.
- [14] What I have to determine is if the Mark, when used in association with puddings and frozen desserts, is descriptive or deceptively misdescriptive in the English language of the character or quality of those wares. The applicable test has been well described in 242183

Ontario Ltd. v. Black Forest Inn Inc. (1984), 3 C.P.R. (3d) 23 wherein the Court has clearly stated that one must look at the trade-mark as a whole and not dissect it into its component parts. Section 12(1)(b) does not prohibit registration of a trade-mark unless when considered as a whole it is either clearly descriptive or deceptively misdescriptive.

- [15] The Mark is composed of two equally dominant words: "Dairy" and "Logic". It is an unusual combination of those two English words. Aside from the term "Dairy" that may suggest the character of the "frozen desserts" and "puddings" there remains a distinctive element being the term "Logic". The combination of "Dairy" and "Logic" does not create a trade-mark that can be viewed as a whole as descriptive of the character or quality of "puddings" and "frozen desserts".
- [16] Having ruled that the Mark when viewed as a whole is not descriptive of the Wares, it cannot be considered as misdescriptive. As stated in *Molson Companies Ltd. v. Carling O'Keefe Breweries of Canada Ltd.* (1981), 55 C.P.R. (2d) 15, a trade-mark must first be descriptive before it can be found misdescriptive. Consequently, the fourth ground of opposition is also dismissed.

Non-compliance to s. 30 of the Act (re: Provincial and Federal Statutes)

- [17] With respect to the second ground of opposition, Mr. MacDonald has filed pertinent extracts of the *Consumer Packaging and Labelling Act*, R.S.C. 1985, c. C-38, *Food and Drugs Act*, R.S.C. 1985, c. F-27, *Food and Drug Regulations*, (C.R.C., c. 870), *Food Products Act*, R.S.Q., c. P-29, *Milk Industry Act*, R.S.B.C., c. 289 and *The Manufacturing Plant Regulation*, *Saskatchewan Regulations*, (SR 53/79) as well as some relevant sections of the 2003 *Guide to Food Labelling and Advertising of the Canadian Food Inspection Agency*. There is no evidence that the use of the Mark in association with the Wares would contravene any of those Acts or Regulations.
- [18] In *Dairy Bureau* of *Canada v. Popsicle Industries Ltd.* 1990 CarswellNat 1379 the Registrar was facing a similar situation where the trade-marks in issue were STRAWBERRIES 'N CREAM, RASPBERRIES 'N CREAM and BLUEBERRIES 'N CREAM, all based on proposed use. The opponent alleged that the applications were not in compliance with s. 30(i) of

the Act and that the use of those marks would be contrary to the *Food and Drugs Act* and the *Consumer Packaging and Labelling Act*. The Registrar dismissed the ground of opposition in the following terms:

...the Registrar must assume that the applicant will comply with packaging and labelling legislation in Canada and will use its trade-mark in a fair manner, that is, in a manner which is not intended to deceive or mislead the public (see Fox, Canadian Law of TradeMarks and Unfair Competition, pp. 158-159). Had the opponent's evidence established that the applicant was, in fact, manufacturing or distributing frozen confections on a stick in Canada in association with the trade-mark at issue and those frozen confections did not include cream, a different conclusion might well have been reached in respect of this ground of opposition.

[19] Similarly there is no evidence in the record that the Wares would not be dairy products. In the absence of such evidence I must dismiss this ground of opposition for failure by the Opponent to meet its initial onus of proof.

Distinctiveness of the Mark

[20] The wording of the last ground of opposition is a repetition of the wording of the Act. There is no allegation of facts to support this ground of opposition in the statement of opposition. There is no evidence of use of any trade-marks by the Opponent that would include the word "dairy" such that the Mark would not be able to distinguish the Wares from the Opponent's wares. Not only as drafted the ground of opposition is not properly pleaded but there is no evidence to support it. It is therefore dismissed.

Conclusion

Pursuant to the authority delegated to me under s. 63(3) of the Act, I reject the opposition pursuant to s. 38(8) of the Act.

Jean Carrière Member Trade-marks Opposition Board Canadian Intellectual Property Office