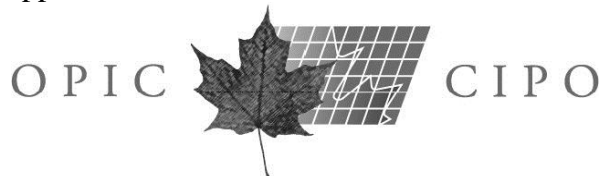


Editor's Note: Corrigendum released on August 1, 2011. Original judgment has been corrected with text of corrigendum appended.



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

**Citation: 2011 TMOB 95**  
**Date of Decision: 2011-06-20**

**IN THE MATTER OF AN OPPOSITION  
by Cheung's Bakery Products Ltd. to  
application No. 1,329,118 for the trade-  
mark CHINESE CHARACTERS  
DESIGN in the name of Saint Honore  
Cake Shop Limited**

[1] On December 13, 2006, Saint Honore Cake Shop Limited (the Applicant) filed an application to register the trade-mark CHINESE CHARACTERS DESIGN, shown below, (the Mark):



[2] The application for the Mark was based on proposed use with the following wares:

(1) Metal containers for storage of food; tin-plate boxes and tin-plate containers for storage of food; metal boxes for preserving food; boxes made of common metal for storage of food; boxes made of paper or cardboard for packaging; wrapping, containers and bags for food.

(2) Adhesive tapes, labels of paper and tags for use with gift wrapping; ribbons; printed matter, namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of foods and drinks; brochures and catalogues.

(3) Coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New-Year cakes, puddings; ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta

(collectively the Wares).

[3] The Applicant submitted to the Canadian Intellectual Property Office (CIPO) that the English translation for the Chinese characters in the Mark is SAINT HONORE. The Applicant further submitted that the transliteration of the Chinese characters is SING ON NAH.

[4] The application was advertised for opposition purposes in the *Trade-marks Journal* of January 9, 2008.

[5] On February 27, 2008, Cheung's Bakery Products Ltd. (the Opponent) filed a statement of opposition. The grounds of opposition can be summarized as follows:

- Pursuant to s. 38(2)(a) and 30(i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act), the Applicant could not have been satisfied that it is entitled to use the Mark in Canada in association with the Wares having regard to the Opponent's trade-marks, as set out in the statement of opposition, and in paragraph 10 below, of which the Applicant was aware. Furthermore, the Applicant previously attempted to register the Mark under application No. 1,021,413; however, the Applicant withdrew that application after the Opponent filed and served its evidence on the Applicant in the related opposition proceeding.
- Pursuant to s. 38(2)(b) and 12(1)(d) of the Act, the Mark is not registrable due to confusion with the Opponent's trade-mark registrations set out in the statement of opposition. The Chinese characters of the Opponent's trade-marks are the same as the Chinese characters of the Mark, merely in a different style of printing. Both are pronounced phonetically as "on noh beng uk" and recognized as ANNA CAKE HOUSE by a person who understands and reads Chinese characters.
- Pursuant to s. 38(2)(c) and 16(3)(a) of the Act, the Applicant is not the person entitled to registration of the Mark because at the date of filing the application for the Mark, it was confusing with the Opponent's trade-marks which had previously been used in Canada by the Opponent in association with the wares and services as set out in the statement of opposition. The Opponent had not abandoned its trade-marks as of the date of advertisement of the application for the Mark, and has continuously used said trade-marks since a date well prior to the filing date of the application for the Mark.

- Pursuant to s. 38(2)(d) and 2 of the Act the Mark is not distinctive as defined in s. 2 of the Act because it does not actually distinguish nor is it adapted to distinguish the wares of the Applicant from the wares and services of the Opponent.

[6] 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.

[7] In support of its opposition, the Opponent filed certified copies of registration Nos. TMA480,506; TM354,194; TMA354,193 and TMA667,403 along with the affidavits of Ronald Cheung Senior, sworn September 15, 2008; Bill Joyce, sworn September 9, 2008; Qing Xie, sworn September 15, 2008 and Ron Cheung Jr., sworn September 15, 2008. The Applicant requested and obtained an order for cross-examination of the Opponent's witnesses but did not proceed with the cross-examinations.

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

[9] Only the Opponent filed a written argument. Both parties requested an oral hearing at which both parties were represented.

#### Opponent's Evidence

[10] The certified copies of the registrations filed by the Opponent as part of its evidence pursuant to r. 41 of the *Trade-marks Regulations* SOR/96-195 (the Regulations) are for the following trade-marks, all of which are registered for bakery products, namely cakes, pastries and breads and operation of a bakery (the Opponent's Wares and Services):

- Chinese Characters Design, shown below, – registration No. TMA480,506

安 娜 餅 屋

- ANNA'S CAKE HOUSE – registration No. TMA354,194
- ANNA'S CAKE HOUSE & Design, shown below, – registration No. TMA354,193



- ANNA'S CAKE HOUSE & Chinese Characters Design, shown below, – registration TMA667,403

安 Anna's 娜 Cake 餅 House 屋

*Affidavit of Ronald Cheung Senior*

[11] Mr. Cheung Sr. is the President of both the Opponent and the Opponent's licensee, Cheung's Bakery & Coffee Shop Ltd. (the Licensee).

[12] Mr. Cheung Sr. states that his family has operated a bakery business in the Greater Vancouver area in association with the Opponent's trade-marks, since June 1974 for the Chinese Characters Design mark, the ANNA'S CAKE HOUSE mark and the ANNA'S CAKE HOUSE & Design mark and since December 1997 for the ANNA'S CAKE HOUSE & Chinese Characters Design mark. Mr. Cheung Sr. states that the bakery business was originally operated as a partnership between him, Anna Cheung (his sister), Kathleen Cheung (his wife) and another individual named Lila Jong. Mr. Cheung Sr. states that in 1987 the Opponent was incorporated and acquired the assets of the partnership including the right, title and interest in and to the Chinese Characters Design mark, the ANNA'S CAKE HOUSE mark and the ANNA'S CAKE HOUSE & Design mark.

[13] Mr. Cheung Sr. states that the name ANNA and the Chinese character translation thereof, namely, the first two Chinese characters in the Chinese Characters Design mark were chosen to name the bakery after his sister, Anna Cheung.

[14] In his affidavit, Mr. Cheung Sr. sets out his family history in great detail. I find that the majority of this information is irrelevant to the present proceeding.

[15] Mr. Cheung Sr. states that the Opponent's predecessor-in-title opened the first Anna's Cake House in 1974 at 666 Kingsway in Vancouver. Mr. Cheung Sr. states that it specialized in Chinese baking of the kind that would be found on the streets of Hong Kong in an effort to give Chinese Canadians in Vancouver a taste of their former home.

[16] Mr. Cheung Sr. states that the Opponent specializes in fresh cream and butter cream cakes, pastries, buns and breads using only real butter and creams and natural ingredients with no additives, fillers or chemicals.

[17] Mr. Cheung Sr. states that the Opponent's predecessor's sales in the first six months in 1974 were "a desolate \$5,065" but that business began to improve as their reputation among the Vancouver Chinese community increased.

[18] According to Mr. Cheung Sr., the Opponent maintains "predominance in the Vancouver area bakery scene" primarily through word of mouth advertising. Mr. Cheung Sr. states that most of the Opponent's advertising is merely to announce new stores or products or sponsorships for charitable events. Mr. Cheung Sr. states that his son, Ronnie (Mr. Cheung Jr.) is a more visible public figure at the Opponent's bakery and is often asked to appear on television to demonstrate Chinese baking techniques.

[19] Mr. Cheung Sr. sets out the progression of the Opponent and its predecessor's business. Specifically, he sets out the dates the Opponent moved its baking premises as well as when it opened new bakery locations for the public. The Opponent and its predecessor have over the years, opened a number of bakery locations (details of which are also set out in Mr. Cheung Jr.'s affidavit) such that at the time of swearing his affidavit, the Opponent was operating four bakery locations run by 50 employees.

[20] Mr. Cheung Sr. states that the Opponent engages in significant charitable work and sets out the details thereof, including sponsorship of World Vision Canada, the British Columbia Children's Hospital Foundation and the Christian Children's Foundation.

[21] Mr. Cheung Sr. states that the Opponent's reputation extends beyond the Greater Vancouver area due to customers frequenting the bakeries coming from Toronto, New York, San Francisco, Los Angeles and parts of Asia such as Hong Kong, Taiwan and China.

[22] Mr. Cheung Sr. states that the Opponent is regularly asked about franchise opportunities but has turned them down in an attempt to prevent dilution of their brand name.

*Affidavit of Bill Joyce*

[23] Mr. Joyce is the 2006 Census Dissemination Project Manager within the Census Operations Division of Statistics Canada.

[24] Mr. Joyce states that the information contained in his affidavit is based on language composition tabulations from the Census undertaken by Statistics Canada in 2006.

[25] Based on a review of these tabulations, Mr. Joyce states that in 2006 a total of 1,012,065 persons reported a Chinese language as their only mother tongue; a total of 796,145 persons spoke a Chinese language most often at home and a total of 1,346,510 persons reported their ethnic origin as Chinese (either as their only ethnic origin or in combination with other ethnic origins). Regarding the language statistics, Mr. Joyce also provided a further breakdown of the Chinese dialects reported by these individuals.

*Affidavit of Qing Xie*

[26] Ms. Xie states that she is a Lecturer at Simon Fraser University in Burnaby, British Columbia and that she is fluent in Mandarin Chinese and in reading and understanding Chinese characters. Ms. Xie has been put forward as an expert in the field of Chinese language studies. Based on a review of her curriculum vitae, I am satisfied that Ms. Xie is qualified as an expert in the field of Chinese language studies.

[27] The fact that Ms. Xie's expert opinion is on the ultimate issue to be decided in the opposition does not render the evidence inadmissible [see *L.G.S. Products Inc. v. Caprice Hosiery Canada Ltd.* (1984), 79 C.P.R. (2d) 183 (T.M.O.B.); *Xerox of Canada Ltd. et al v. IBM Canada Ltd.* (1977), 33 C.P.R. (2d) 24 (F.C.T.D.); *Jordan & Ste-Michelle Cellars Ltd. v. T.G. Bright & Co. Ltd. et al.* (1982), 71 C.P.R. (2d) 138 (F.C.T.D.)]. However, I cannot accept her opinion merely on the basis of her expertise. Rather, I must examine the facts/assumptions upon which she has based her opinion in order to assess both its validity and the process by which it

was reached [see *William H. Rorer (Canada) Ltd. v. Johnson & Johnson* (1980), 48 C.P.R. (2d) 58 (F.C.T.D.)].

[28] The Supreme Court of Canada recently commented on the issue of expert evidence in the decision of *Masterpiece Inc. v. Alavida Lifestyles Inc.* 2011 SCC 27, as follows:

Tendering expert evidence in trade-mark cases is no different than tendering expert evidence in other contexts. This Court in *R. v. Mohan*, [1994] 2 S.C.R. 9, set out four requirements to be met before expert evidence is accepted in a trial: (a) relevance; (b) necessity in assisting the trier of fact; (c) the absence of any exclusionary rule; and (d) a properly qualified expert. In considering the standard for the second of these requirements, “necessity”, the Court explained that an expert should not be permitted to testify if their testimony is not “likely to be outside the experience and knowledge of a judge”...

[29] Based on a consideration of the Xie affidavit as a whole, I am satisfied that Ms. Xie’s evidence satisfies the test set out in *R. v. Mohan*, above.

[30] Ms. Xie states that she reviewed the Chinese characters in the application for the Mark which she reproduces in her affidavit. However, I note that, contrary to Ms. Xie’s statement, the Chinese characters discussed in her affidavit are in fact those from application No. 1,329,117 which is a co-pending application belonging to the Applicant. It is also subject to an opposition by the Opponent.

[31] In Ms. Xie’s opinion these Chinese characters would be pronounced as “sheng an na bing wu” in the Mandarin dialect and as “sing on no bing uk” in the Cantonese dialect by a person familiar with reading and understanding Chinese characters.

[32] Ms. Xie states that she reviewed the Chinese characters of the Opponent’s Chinese Characters Design mark. She states that in her opinion the Chinese characters of this trade-mark would be pronounced as “an na bing wu” in the Mandarin dialect and as “on no bing uk” in the Cantonese dialect by a person familiar with reading and understanding Chinese characters.

[33] Ms. Xie states that the Applicant’s Chinese characters are written in a different script style as compared to those in the Opponent’s Chinese Characters Design mark. Ms. Xie states that despite this difference, the second, third, fourth and fifth Chinese characters of application

No. 1,329,117, and the first two Chinese characters of the Opponent's Chinese Characters Design mark would be read the same, would sound the same and would be translated into the same English word(s), irrespective of the differing script styles. She states that the difference would be akin to a person reading and understanding English language text in Arial font, as compared to Times New Roman font.

[34] Ms. Xie then set about providing translations for the Chinese characters in the parties' marks both from Chinese to English and from English to Chinese. Ms. Xie relied on English-Chinese and/or Chinese-English dictionaries (Exhibits B, C, D, E, F) for each one as follows:

- the first two Chinese characters of the Opponent's Chinese Characters Design mark would be translated as "ANNA", and vice versa;
- the last two Chinese characters of application No. 1,329,117 are pronounced "bing wu" in the Mandarin dialect and "bing uk" in the Cantonese dialect and are translated as "cake house" or "cake shop";
- the English words "cake" and "house" or "shop" would be translated and written in Chinese characters as the second two Chinese characters of the Opponent's Chinese Characters Design mark or the last two Chinese characters of application No. 1,329,117;
- the first Chinese character of the Mark is pronounced as "sheng" in the Mandarin dialect and "sing" in the Cantonese dialect and is translated as "Saint", and vice versa;
- the Chinese characters of application No. 1,329,117 would be understood and translated as "Saint Anna Cake House" or "Saint Anna Cake Shop"; and
- the Chinese characters of the Opponent's Chinese Characters Design mark would be understood and translated as "Anna Cake House" or "Anna Cake Shop".

[35] Ms. Xie states that the written form of Chinese language characters are the same in appearance for all the Chinese language dialects and thus the appearance of the Chinese language characters of the Mark and the Opponent's Chinese Characters Design mark would be the same for every Chinese speaking Canadian regardless of which dialect of the Chinese language that individual speaks.



[36] The Opponent relies on the Xie affidavit to support a finding that the parties' marks share similarities both in transliteration and translation into English. Most importantly, the Opponent relies on Ms. Xie to support its submission that the translation submitted by the Applicant was incorrect. Specifically, to support a finding that the second and third Chinese characters of the Mark spell ANNA, not HONORE as submitted by the Applicant.

[37] At the oral hearing, the Applicant made a number of submissions attempting to discredit Ms. Xie's status as an expert in Chinese language studies. Specifically, the Applicant questioned Ms. Xie's knowledge of Chinese languages, pointed out a discrepancy between two paragraphs in her affidavit dealing with the translations of the Chinese characters for "Cake House/Shop", and queried why Ms. Xie failed to cite a Chinese-English dictionary in support of her translation for "Anna" (providing instead only an English-Chinese dictionary).

[38] I note that the Applicant requested and was granted an order to cross-examine Ms. Xie on her affidavit. If the Applicant had any concerns regarding Ms. Xie's qualifications as an expert or questions regarding the content of her affidavit, the Applicant could have taken the opportunity to do so on cross-examination but it chose not to. I remain satisfied that Ms. Xie is sufficiently qualified to adduce opinion evidence regarding the Chinese language and has sufficiently supported the translations provided in her affidavit.

*Affidavit of Ron Cheung Jr.*

[39] Mr. Cheung Jr. is the Operation Manager of the Opponent.

*The Opponent's Business*

[40] Mr. Cheung Jr. states that, together with his cousin Gregory Cheung, he is responsible for the day to day business operations of the Opponent and the Licensee.

[41] Mr. Cheung Jr. states that his father, Mr. Cheung Sr., his aunt Anna and his mother, Kathleen Cheung, were originally the only Directors of the Opponent and the Licensee but in 2006 he was added as a Director of both the Opponent and the Licensee. Mr. Cheung Jr. states that his father is the President and his mother is the Secretary of both companies. Mr. Cheung Jr. states that he is the Operations Manager for both companies.

[42] Mr. Cheung Jr. confirms the Opponent's ownership of the Opponent's registered trade-marks and sets out the time lines and locations for the Opponent's bakery business. Mr. Cheung Jr. also sets out the details for the bakery locations operated by the Licensee.

*The Licensee*

[43] Mr. Cheung Jr. states that the Licensee was incorporated in 1987 and that the Licensee and the Opponent share the same Directors and Officers.

[44] Mr. Cheung Jr. sets out the manner in which the Opponent controls the character and quality of the bakery products which bear the Opponent's trade-marks. Mr. Cheung Jr. states that since the incorporation of both the Opponent and the Licensee, his father and himself have supervised the operation of the bakeries and production of the bakery products of all bakery locations operated by the Opponent and the Licensee to ensure that they maintain the standards of character and quality required by the Opponent.

[45] Mr. Cheung Jr. states that at all times since the incorporation of the Opponent, the production of the bakery products has been undertaken by the Opponent. Mr. Cheung Jr. states that this covers the entire process from the beginning to the finished products, namely, the selection and sourcing of the ingredients, the mixing and processing of dough, baking, finishing and decorating, transporting and storing the bakery products. Mr. Cheung Jr. states that the finished products are either sold from the Opponent's main bakery or transported to the Licensee's bakeries to sell to customers of those bakeries. Mr. Cheung Jr. states that the only exception to this practice is with respect to some tarts and buns which, in order to optimize their quality and freshness, are delivered to the Licensee by the Opponent in dough form, to be baked and finished by the Licensee. Mr. Cheung Jr. states that only two of the Licensee locations are provided with unfinished tarts and buns in this manner. Mr. Cheung Jr. states that for these unfinished products, the baking and finishing are controlled by the Opponent through monitoring of the locations by the Opponent.

[46] Mr. Cheung Jr. states that the Opponent and the Licensee entered into a Registered User Agreement dated December 16, 1991 which was recorded with the Trade-marks Office (Exhibit OO). Mr. Cheung Jr. states that the Opponent and the Licensee continued to operate in

accordance with the terms of this agreement as of the date he swore his affidavit. Mr. Cheung Jr. states that the Licensee's use of the Opponent's trade-marks is also undertaken pursuant to a verbal licensing agreement between the Opponent and the Licensee. Mr. Cheung Jr. states that a written license was entered into between these two entities on August 30, 2005 (Exhibit PP).

[47] Mr. Cheung Jr. states that pursuant to the Registered User and license agreements, he and his father continually, and on a daily basis, ensure that the character and quality of the goods and services provided in association with the Opponent's trade-marks meet the very high standards of the Opponent. Mr. Cheung Jr. states that there is an extremely close working relationship between the operations of the Opponent and the Licensee which has been in place throughout the entire existence of both companies.

*Use of the Opponent's registered trade-marks with the Opponent's Services*

[48] Mr. Cheung Jr. states that since the inception of the Opponent's bakery business, the Chinese Characters Design mark and the ANNA'S CAKE HOUSE & Design mark have been prominently displayed in the advertising for the Opponent's bakery stores and the packaging containing the Opponent's bakery products.

[49] In support of that statement, Mr. Cheung Jr. attaches to his affidavit copies of photographs of exterior and interior signage for the Opponent's bakery locations. He states that these are representative of the signage on display at these locations throughout the course of their operations, as follows:

- former bakery location at 666 East Broadway from 1977 to 1997 (Exhibit A);  
and
- main bakery location at 606 East Broadway, Vancouver B.C. since 1997 (Exhibit B).

[50] Mr. Cheung Jr. states that the Opponent carries out all of the manufacturing of bakery products at the main bakery location. Mr. Cheung Jr. states that finished bakery goods are transported from the main bakery to the other locations for sale to the public. Mr. Cheung Jr. states that some of the bakery goods are pre-manufactured at the main bakery and finished at

some of these other locations. Mr. Cheung Jr. states that this practice ensures product quality control and product consistency for all of the products sold by the Opponent and the Licensee.

[51] Mr. Cheung Jr. attaches photographs of signage at some of the bakery locations operated by the Licensee which he states display and have always displayed the Opponent's trade-marks. He states that the photographs are representative of the signage displayed at these locations throughout the course of their operations, as follows:

- Oakridge location (Exhibit C) – since June 1991;
- Burnaby location (Exhibit D) – since September 1998;
- Lansdowne Centre Mall location (Exhibit E) – since September 2004;
- West 41st Avenue, Vancouver location (Exhibit F) – from April 2000 to January 2006 when the location closed;
- former bakery located at 8191 Westminster Highway in Richmond, British Columbia – from September 1987 to 1996 (Exhibit G); and
- 4040 No. 3 Road in Richmond, British Columbia – from 1996 to October 2005 when the location closed (Exhibit H).

[52] Mr. Cheung Jr. states that the staff at the Opponent and the Licensee's bakeries answer the telephones using both English and Chinese languages (Cantonese or Mandarin dialects). Mr. Cheung Jr. further states that all of the employees are fluent in the Cantonese or Mandarin dialects and spend the majority of their days speaking in one of these Chinese dialects to their customers.

[53] Mr. Cheung Jr. states that continuously to the date of swearing his affidavit many of the Opponent's suppliers identify the Opponent by its Chinese name as set out in the Chinese Characters Design Mark. Mr. Cheung Jr. attaches to his affidavit copies of representative sample invoices from suppliers identifying them in that manner (Exhibit KK).

[54] Mr. Cheung Jr. attaches samples of documents used by the Opponent in carrying out its business, as follows, all of which display, and have always displayed the Opponent's trade-marks:

- sample letterhead and an envelope used from 1977 until 2004 (Exhibit I);
- sample stationery used from 2004 to the date of swearing his affidavit (Exhibit J);
- photographs and printouts of the affiant's business cards used from 1997 to about 2006 as well as the business card in use at the time of swearing his affidavit (Exhibit K); and
- four business cards used from 1985 – 1991 (Exhibit L).

[55] Mr. Cheung Jr. states that the Opponent and the Licensee also promote the Opponent's bakery business through the distribution of promotional Chinese wedding pastry cards entitling the bearer to a select number of pastries. Mr. Cheung Jr. attaches samples of these cards which he states the Opponent and the Licensee have distributed continuously for many years as follows, all of which display and have always displayed the Opponent's trade-marks:

- Exhibit M – an advertisement from 2006 and 2007 containing promotional traditional Chinese wedding pastry cards;
- Exhibit N – a sample card which was distributed to customers and potential customers between 1974 and 1977 (Exhibit N); and
- Exhibit O – a copy of the Opponent's Anniversary Card which was distributed for the first three years of operation (i.e. 1974 – 1977) (Exhibit O).

[56] Mr. Cheung Jr. states that the Opponent and the Licensee also advertise the Opponent's bakeries through listings in telephone directories. In support of this statement Mr. Cheung Jr. provides sample pages from such directories (Vancouver White Pages from 1975 onwards (Exhibit P), Vancouver Yellow Pages from 2004-2008 (Exhibit P) and the 1996 issue of the Greater Vancouver Chinese Telephone Directory (Exhibit Q)). Mr. Cheung Jr. states that the Opponent has placed free listings in the Vancouver Yellow Pages since 1975.

[57] Mr. Cheung Jr. also attaches to his affidavit a copy of the page containing the Opponent's entry and display advertisement from the 1998 issue of the 738 Directory Services Ltd. Directory (Exhibit Q). Mr. Cheung Jr. states that this is a directory of businesses listed under their Chinese character names. Mr. Cheung Jr. states that this directory company also operates a telephone directory assistance service in Chinese locating telephone numbers for Chinese-speaking people who call in describing a company by its Chinese name. Mr. Cheung Jr. states that the Opponent

has listed with this directory company since 1991 and was continuing to do so at the time he swore his affidavit.

[58] Mr. Cheung Jr. states that the Opponent and the Licensee also advertise on Chinese language television and radio all of which broadcast in Chinese in the Opponent's trading area. He provides certified English translations of these advertisements prepared by the Opponent's advertising agency (Exhibit II).

[59] Mr. Cheung Jr. states that the Opponent directs most of its advertising to the Chinese community which he states are the principal customers of the Opponent's bakeries. He estimates that approximately 80-85% of the Opponent's customers are Chinese in origin.

[60] Mr. Cheung Jr. states that the Opponent's best advertising is done by word of mouth. Mr. Cheung Jr. states that the Opponent specializes in bakery products of "the absolute highest quality, using only the finest ingredients and adhering to very particular quality control in the baking and processing of their bakery products". Mr. Cheung Jr. attaches to his affidavit a copy of the Opponent's website located at *www.annas.ca* (Exhibit R) which he states describes the nature of the Opponent's products and the Opponent's commitment and guarantee regarding quality. Mr. Cheung Jr. states that he has read the information on all of the excerpts of the Opponent's website which he attaches to his affidavit and confirms their accuracy. Mr. Cheung Jr. states that the Opponent's website has been available on the Internet since early 1998.

[61] Mr. Cheung Jr. states that over the years the Opponent's bakeries have been featured in various publications. He attaches a selection of articles from various British Columbia newspapers (Exhibits S, T, U, V).

[62] Mr. Cheung Jr. states that he has appeared on several TV shows and newscasts introducing new bakery technologies like the Opponent's cake top image printer. He has also appeared on City Cooks on City Television to demonstrate various Chinese baking techniques. Mr. Cheung Jr. states that he is asked to appear on these shows approximately once a year.

[63] Mr. Cheung Jr. states that the Opponent and the Licensee are involved in various community and charitable events. Mr. Cheung Jr. attaches to his affidavit a copy of an extract from the Opponent's website describing some of these activities as at September 11, 2008

(Exhibit W) along with an advertisement published in 2008 for the Asian Ministry of World Vision.

*Use of the Opponent's trade-marks in association with the Opponent's Wares*

[64] Mr. Cheung Jr. states that the Opponent and the Licensee make and sell various types of breads and buns. He attaches to his affidavit a copy of an extract from the Opponent's website describing many of their breads and buns as at September 11, 2008 (Exhibit X).

[65] Mr. Cheung Jr. attaches to his affidavit various extracts from the Opponent's website (Exhibit Y features the Opponent's pastry products; Exhibit Z features the Opponent's cake products; Exhibit AA features the Opponent's corporate and contract sales information; Exhibit BB features the Opponent's wedding cake information; Exhibit CC features the homepage of the Opponent's alternate URL *www.annascake.com*).

[66] Mr. Cheung Jr. states that the Opponent and the Licensee sell their bakery products packaged in boxes, bags and paper pastry cups which prominently display the Opponent's trade-marks, samples of which he attaches to his affidavit as follows:

- cake box used from 1987 to 1991 (Exhibit DD);
- plastic bag used from 1987 to 1991 (Exhibit EE);
- cake box used since 2004 (Exhibit FF);
- packaging strips used since 2006 (Exhibit FF);
- plastic bags used since 1997 (Exhibit FF);
- biodegradable plastic bags used since 2008 (Exhibit FF);
- paper pastry cup in use at the time he swore his affidavit (Exhibit FF); and
- photograph of a paper pastry cup and cake wrap to be launched for use in late 2008 (Exhibit FF).

[67] Mr. Cheung Jr. states that before the dates set out in his affidavit the Opponent and the Licensee would have used similar packaging materials displaying the different locations. He

states that the trade-mark ANNA'S CAKE HOUSE & Chinese Characters Design mark would not have been in use on these materials until 2004.

[68] Mr. Cheung Jr. states that in the Opponent's and the Licensee's bakery locations, the product descriptions are displayed in both English and Chinese character wording. Mr. Cheung Jr. attaches to his affidavit photographs of typical displays of bakery products from 2005 and 2008 (Exhibit GG). The photographs display both English and Chinese characters on the signage.

[69] Mr. Cheung Jr. states that the Opponent is known for its "moon cakes" which it hand-makes from all natural ingredients only during the mid-autumn festival season. Mr. Cheung Jr. attaches to his affidavit a photocopy of a moon cake box used to package bakery products by the Opponent and the Licensee since 2000 (Exhibit HH). Exhibit HH also features a photograph of a bag and box used for moon cakes in 2008 along with a photograph of moon cakes on display at the Opponent's Broadway location on September 12, 2008.

[70] Mr. Cheung Jr. states that the number of annual individual customer transactions of sales of moon cakes have ranged from 4,600 to 9,000 over the years 2000 to 2007.

#### *The Opponent's Advertising Expenses*

[71] Mr. Cheung Jr. states that from 2000 to 2007 the Opponent spent between \$14,000 and \$35,000 in advertising expenses with partial advertising expenses for 2008 amounting to \$1,700.

[72] Mr. Cheung Jr. states that since most of the Opponent's customer base is either repeat customers or individuals who have heard of the Opponent through word of mouth the Opponent is not required to spend much on advertising in order to attract customers. Mr. Cheung Jr. also attaches to his affidavit itemized advertising expenditures for the Opponent for the years 1998 through 2008 (Exhibit II). Mr. Cheung Jr. states that these figures constitute advertising through their ad agency Irix Design Group Inc. which is about 80% of their total advertising expenditures.



### The Opponent's Sales Figures

[73] Mr. Cheung Jr. sets out sales figures for the Opponent from 2000 to 2007. He states that the Opponent and the Licensee have seen in excess of 150,000 to in excess of 190,000 sales transactions over this period. He states that sales figures for the same period have ranged from \$1.8 million to \$2 million.

### The Applicant's Business

[74] Mr. Cheung Jr. made a number of statements regarding the Applicant's business, most of which were supported by materials printed from the Applicant's website on August 4, 2005 (Exhibit LL). I note that all of Mr. Cheung Jr.'s statements regarding the Applicant and its business have been made on information and belief and as a result are *prima facie* hearsay [see *Labatt Brewing Company Limited v. Molson Breweries, a Partnership* (1996), 68 C.P.R. (3d) 216 (F.C.T.D.)]. The same comment is true for the documents printed from the Applicant's website and as a result they cannot be relied upon for the truth of their contents [see *Candrug Health Solutions Inc. v. Thorkelson* (2007), 60 C.P.R. (4th) 35 (F.C.T.D.), reversed (2008), 64 C.P.R. (4th) 431 (F.C.A.)].

### Onus and Material Dates

[75] 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].

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

- s. 38(2)(a)/30(i) - the date the application was filed [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. 38(2)(c)/16(3)(a)- the date the application was filed [see s. 16(3) of the Act].
- s. 38(2)(d)/2 – the date of filing the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

### Section 30 Ground

#### *Section 30(i)*

[77] The requirement under s. 30(i) of the Act is to include, in the application, a statement that the applicant is satisfied that it is entitled to use the mark in Canada in association with the wares. The Applicant provided such a statement in its application.

[78] In a situation like the present where the relevant statement is provided, a s. 30(i) ground of opposition should only succeed in exceptional cases, such as where there is evidence of bad faith on the part of an applicant [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 at 155 (T.M.O.B.)].

[79] The Opponent did not make any submissions as to its s. 30 ground either in its written argument or at the oral hearing.

[80] I am not satisfied that the Opponent has established that the present is an exceptional case where a s. 30(i) ground should succeed and as a result, I am dismissing this ground of opposition.

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

[81] The Opponent filed certified copies of the registration certificates for the Opponent's registered trade-marks relied upon. Having exercised the Registrar's discretion, I confirm that the Opponent's registered trade-marks are all in good standing.

[82] Since the Opponent has discharged its initial burden with respect to this ground of opposition, the burden of proof lies on the Applicant to convince the Registrar, on a balance of

probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trade-marks.

[83] 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.

[84] 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.).]

#### *Surrounding Circumstance – The Average Canadian Consumer*

[85] The Opponent submits, and I agree for the reasons that follow, that this is a situation in which it would be appropriate to consider the impression of the average Canadian consumer who can read and understand Chinese characters when determining the likelihood of confusion between the parties' marks.

[86] In its written argument, the Opponent reproduces a large portion of *Cheung Kong (Holdings) Ltd. v. Living Realty Inc.* (1999), 4 C.P.R. (4th) 71 (F.C.T.D.) [*Cheung Kong*] which is the leading case on the issue of assessing confusion between trade-marks featuring Chinese characters. The Opponent also points me to the decisions of *Baylor University v. Governor and Co. of Adventurers Trading into Hudson's Bay et al* (2000), 8 C.P.R. (4th) 64 (F.C.A.) and *Pepper King Ltd. v. Sunfresh Ltd.* (2000), 8 C.P.R. (4th) 485 (F.C.T.D.) which applied the reasoning in the *Cheung Kong* decision.

[87] I note that in *Cheung Kong*, Mr. Justice Evans considered the decision in *Cheung's Bakery Products Ltd. v. Saint Anna Bakery Ltd.* (1992), 46 C.P.R. (3d) 261 (T.M.O.B.)

[*Cheung's Bakery*] which the Applicant relies on in its submissions. Specifically, Mr. Justice Evans expressed the following comments (emphasis is mine):

62. Again, I interpret the Registrar to be saying that, on the evidence before it, it could not conclude that a "significant" number of the consumers of the wares with which these marks were associated would recognise the similarity in the Chinese characters on the two marks. I do not think that the Registrar is saying that, for the purpose of determining the likelihood of confusion, the "average Canadian" could never be a person who understood the relevant foreign language and that as a matter of law the language understood by the "average consumer" of particular wares or services is not capable of being one of the "surrounding circumstances" to which the Registrar must have regard.

63. Counsel for the opponent referred me to cases for the more general proposition that the test for confusion is whether the "average consumer" might be confused, and that this hypothetical person was to be identified in the context of the actual consumers of the product associated with the mark. Thus, whether a mark is likely to cause confusion is a question that is to be asked, not in the abstract, but in respect of the particular market in which the wares or services are offered.

64. Thus, in *Canadian Schenley Distilleries Ltd. v. Canada's Manitoba Distillery Ltd.* (1975), 25 C.P.R. (2d) 1 (Fed. T.D.) Cattanach J. said (at page 5):

To determine whether two marks are confusing one with the other it is the persons who are likely to buy the wares who are to be considered, that is those persons who normally comprise the market, the ultimate consumer.

[...]

65. An application of this principle to the particular issue in dispute in this case would indicate that, if it could be inferred from the evidence that a significant proportion of the likely consumers of Living Realty's clients were familiar with Chinese characters, the Registrar should take this into consideration as part of the "surrounding circumstances" when determining whether there was a likelihood of confusion with Cheung Kong's mark.

[...]

67. If [the Registrar] based his conclusion on the fact that the 'average Canadian' cannot read Chinese characters, without regard to whether the evidence in this case indicated that a significant number of the actual consumers of Living

Realty's services were likely to be able to transliterate the first two characters of the proposed mark into CHEUNG KONG, or translate it into 'long river', then with respect I think that he erred in law.

[88] The Opponent submits that *Cheung Kong* is relevant to the present case for a number of reasons, namely:

- it suggests that it is appropriate to consider the likelihood of confusion from the perspective of the average Canadian who understands the Chinese language where the facts support such a finding. In *Cheung Kong* the evidence was clear that the applicant targeted the Chinese community, albeit not to the exclusion of non-Chinese clients. The Opponent submits that the same facts exist in the present case;
- Justice Evans took “judicial notice” of the existence of a significant Chinese community in Toronto with no direct evidence of the number of clients or potential clients who would understand Chinese languages. In the present case, there is evidence from a representative of Statistics Canada setting out the number of Canadians who can understand Chinese languages;
- Justice Evans held that the applicant targeted the Chinese community in Toronto which led him to infer that a substantial portion of the applicant’s clients would be members of this community. In the present case, the Opponent has submitted that the evidence from the Applicant’s website and Annual Report supports a finding that the Applicant is targeting the Chinese community;
- Justice Evans held that the fact that the applicant chose to use Chinese characters in its mark suggested that many of their clients would be able to read them. The Opponent submits that in the present case the fact that the Mark prominently features Chinese characters further suggests that the Applicant intends to target the Chinese community;
- in *Cheung Kong* there was a finding of confusion between a mark made up of Chinese characters and a mark that was the English equivalent thereof. The Opponent submits that in such a case confusion would only have been possible with individuals who can read and understand both languages. In the present case, however, the issue is confusion between two Chinese character marks, therefore confusion could also result for Canadians who read and speak only Chinese but little if any English. The Opponent submits that this broadens the population that could be susceptible to confusion in the present case.

[89] At the oral hearing, the Applicant conceded that the test for confusion must be assessed from the perspective of the actual consumers of the wares or services at issue. However, the Applicant submitted that in order to consider the likelihood of confusion from the perspective of

a consumer with knowledge of the Chinese language there must be evidence that the average consumer of the parties' wares can read and understand Chinese characters. The Applicant relied on *Cheung's Bakery* which it submitted shares similar facts to the present case. In *Cheung's Bakery* the Registrar took judicial notice of the fact that some Canadians speak Chinese but ultimately held that there was insufficient evidence to find that a significant number of consumers would speak or understand the Chinese language. The Applicant submitted that the same is true in the present case in that the evidence does not support a finding that the average consumer would be able to read and understand Chinese characters and transliterate them into English or that the Applicant's business targets the Chinese community, as was found in *Cheung Kong*.

[90] The Opponent, by contrast, relies on the Joyce affidavit to support a finding that there is a significant number of Canadians who can speak and understand Chinese languages. The Joyce affidavit reveals that over 1 million persons reported a Chinese language as their only mother tongue and close to 800,000 spoke a Chinese language most often at home.

[91] At the oral hearing, the Applicant submitted that Mr. Joyce's affidavit did not support a finding that a significant portion of Canadian consumers can read and translate Chinese characters into English. Specifically, the Applicant took as an example the approximately 170,000 individuals who listed Mandarin as their only mother tongue and stated that this did not amount to a significant portion of the total Canadian population of 31 million. The Applicant further commented on Exhibits B and C of the Joyce affidavit stating that while they may indicate the proportion of the Canadian population whose mother tongue and language spoken at home is Chinese, there is no indication of how many people in Canada can actually read Chinese characters. In reply, the Opponent submitted that to accept the Applicant's submission on this point would be to implicitly find that these people are functionally illiterate. The Opponent submitted that this is an absurd result. With respect, I agree.

[92] The Applicant also submitted that of the 170,000 individuals who listed Mandarin as their mother tongue, only 136,000 indicated that they had any knowledge of English and therefore the Applicant submitted that the connection between someone who can speak Mandarin vs. the ability to read and translate these characters into English "is fairly tenuous". I do not agree. This

amounts to 80% who could potentially read and translate these characters into English. In my view, this is hardly “tenuous”.

[93] I do agree with the Applicant’s submission that nothing in the Joyce affidavit supports a finding regarding what percentage of these figures relate specifically to the suburbs of Vancouver. I am not of the view that this is fatal to the Opponent’s case in light of the remaining evidence as I am satisfied that the Opponent has provided evidence supporting a finding that a substantial number of Canadians can speak and understand Chinese languages.

[94] More importantly it must be determined whether the parties’ actual consumers would be able to read and understand Chinese characters. The Opponent relies on the Cheung Jr. and Sr. affidavits to support a finding that the Opponent targets the Chinese community in the Greater Vancouver area. I am satisfied that the Opponent has provided sufficient evidence to support a finding that a substantial portion of the Opponent’s actual consumers would be able to read and understand Chinese characters.

[95] The Opponent also relies on materials adduced by Mr. Cheung Jr. emanating from the Applicant’s website to support a finding that the Applicant intends to target the Chinese community as well. I note that, as mentioned previously, Mr. Cheung Jr.’s statements regarding the nature of the Applicant’s business are *prima facie* hearsay.

[96] At the oral hearing, the Applicant contested the Opponent’s submissions regarding the Applicant’s prospective business operations in Canada. The Applicant submitted that while it is true that the Applicant has operated in China and Hong Kong, there is no evidence of use of the Mark in Canada. The Applicant submitted that it is not surprising that the Applicant’s website features Chinese characters and is targeted to Chinese consumers, since the Applicant has thus far only operated in China and Hong Kong. The Applicant submitted that it is improper to rely on foreign materials in order to conclude as to where the Applicant intends to target its business once it begins using the Mark in Canada. The Applicant submits that it would be improper to conclude that the Applicant’s Asian website supports a finding that the Applicant will continue to target Chinese consumers once it commences business in Canada.

[97] I agree with the Applicant that I cannot place much weight on the evidence adduced by the Opponent regarding the Applicant's prospective business operations in Canada. Still I find it fair to conclude that the Applicant likely intends, to some degree, to target Chinese consumers in Canada. I base this finding on the Applicant's decision to include Chinese characters in the Mark, as well as on the Applicant's inclusion of "moon cakes", "egg rolls" and "New-Year cakes" in the Wares (all of which the Opponent has evidenced are Chinese delicacies) and the Applicant's connections to China and Hong Kong.

[98] Considering the particular facts of this case, the parties' submissions and the evidence of record, I find this to be a case where it is appropriate to consider the possible confusion that the Mark may cause to those who are able to read and understand both English and Chinese.

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

[99] The Mark is made up of three Chinese characters written in stylised script. The Mark contains Chinese characters which, according to the Opponent, relying on the Xie affidavit, are translated as "Saint Honore" and according to the Applicant, are translated as "Saint Anna". I note that "Saint Honore" is descriptive of the Wares as it is the name of a type of cake in French [see Larousse online dictionary, accessed at <http://www.larousse.com/en/dictionaries/french>, [TRANSLATION] "Cake or puff pastry, surrounded by a ring of small cream puffs, and topped with Chantilly cream in the center"].

[100] The Opponent submits that its trade-marks are inherently distinctive, most particularly as regards the word ANNA and the first two Chinese characters of each of the trade-marks which the Opponent submits are pronounced "an na" in Mandarin, and "on no" in Cantonese and translate to ANNA. I agree with the Opponent that the most distinctive element of the Opponent's trade-marks is the ANNA element; however, I find that as a result of the inclusion of the words "Cake House" and the Chinese characters which mean the same, the Opponent's trade-marks are suggestive of the Opponent's Wares and Services.

[101] When viewed as a whole, I find that the parties' marks possess the same degree of inherent distinctiveness.



[102] As 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.

[103] The Applicant has not filed any evidence directed to the use of the Mark subsequent to the filing of the application and as a result I am unable to conclude as to the extent to which the Mark has become known.

[104] At the oral hearing, the Applicant submitted that the Cheung Sr. affidavit reveals that the Opponent's business has been limited to the suburbs of Vancouver and thus any suggestion by Mr. Cheung Sr. that the Opponent's reputation extends beyond this is not properly supported by the evidence because any comments made regarding consumers from the United States and Asia are irrelevant to a Canadian opposition proceeding, and any comments regarding customers from other parts of Canada are not properly supported by the evidence.

[105] Nonetheless I am satisfied that the Opponent's evidence supports a finding that the Opponent's trade-marks have become known in the greater Vancouver area, most particularly among the Chinese community. Specifically, as set out above, the evidence shows that the annual sales for wares and services sold in association with the Opponent's trade-marks amounted to approximately \$2 million per year from 2001 – 2005 and \$1.8 million per year for 2006 – 2008. The Opponent submits, and the evidence shows, that the Opponent has carried out approximately 150,000 transactions per year for sales of bakery products from 2000 to 2007. The Opponent submits that advertising for the Opponent's bakery products and services is predominantly through word of mouth but it also provides moderate advertising expenses, in the amount of approximately \$14,000 to \$35,000 from 2000 to 2007. The Opponent submits that the Opponent and its Licensee have also benefited from being mentioned in publications and interviews of Mr. Cheung Jr. on radio and television as well as from advertising directed primarily to the Chinese community.

[106] Based on the foregoing, I find that this factor favours the Opponent.

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

[107] The Mark was applied for on December 13, 2006 on the basis of proposed use in Canada. The Applicant has not filed any evidence which is directed to the use of the Mark subsequent to the filing of the application.

[108] I am satisfied that the evidence filed by the Opponent supports the dates of first use claimed in each of the Opponent's registrations, as follows: Chinese Characters Design (TMA480,506); ANNA'S CAKE HOUSE (TMA354,194) and ANNA'S CAKE HOUSE & Design (TMA354,193) by the Opponent's predecessor in title from 1974 until 1987 and by the Opponent since its incorporation in 1987 and ANNA'S CAKE HOUSE & Chinese Characters Design (TMA667,403) since December 1997.

[109] Based on the foregoing, this factor overwhelmingly favours the Opponent.

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

[110] It is the Applicant's statement of wares as defined in its application versus the Opponent's registered wares and services 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.)].

[111] The Opponent submits that the parties' wares are identical, or closely related with respect to the following wares of the Applicant:

bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings; ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta

[112] The Opponent further submits that the parties' wares are related with respect to the following wares of the Applicant:

coffee, tea, cocoa, printed matter, namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of foods and drinks; brochures and catalogues

[113] I am satisfied that the parties' wares overlap with respect to the wares belonging to the general class of "food products", namely,

bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta

[114] I am also satisfied that there is some similarity between the Opponent's Wares and Services and the following wares of the Applicant:

...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; ...

as on their face I find it acceptable to infer that these wares could be used in association with the Opponent's bakery products and services.

[115] I do not, however, find any similarity between the remainder of the Wares and the Opponent's Wares and Services as they do not belong to the general class of "food products" and in the absence of evidence, I am unable to determine whether they could be related to the Opponent's bakery products and services.

[116] Based on the foregoing, this factor favours the Opponent with respect to the wares "...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta" and favours the Applicant with respect to the remainder of the Wares.

[117] The Applicant has not filed any evidence as to the nature of its trade. I note that the Applicant's application does not include any restriction on the channels of trade. Given the direct overlap between the parties' wares with respect to the wares "...wrapping, containers and bags

for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta” I find it reasonable to infer that there would also be an overlap in the nature of the trade with respect to these wares. With respect to the remainder of the Wares, however, I am not prepared to make such an inference in the absence of evidence of use of the Mark as there is no direct overlap in the nature of the parties’ wares.

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

[118] In most instances, the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested is the dominant factor and other factors play a subservient role in the overall surrounding circumstances [see *Beverly Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2) 145, conf. 60 C.P.R. (2d) 70 (F.C.T.D.)].

[119] The Opponent relies on the Xie affidavit to support a finding that the parties’ marks share similarities both in transliteration and translation into English. Most importantly, the Opponent relies on Ms. Xie to support its submission that the translation submitted by the Applicant was incorrect. Specifically, to support a finding that the second and third Chinese characters of the Mark spell ANNA, not HONORE as submitted by the Applicant.

[120] The discrepancies between the translations provided by the parties with respect to the Chinese characters do serve to create some confusion as to how to assess the similarities between the parties’ marks. That said I am satisfied that the Opponent’s evidence has not been challenged by the Applicant by way of cross-examination or filing of its own contradictory evidence and as a result I accept that the second and third Chinese characters of the Mark translate to ANNA.

[121] In terms of similarities in sound, the Opponent has provided the following transliterations for the Chinese characters found in the Chinese Characters Design mark and the ANNA’S CAKE HOUSE & Chinese Characters Design mark: ON NO BING UK (in Cantonese) and AN NA BING

WU (in Mandarin). By contrast, the Applicant has provided the following transliteration for the Chinese characters found in the Mark: SING ON NAH. Some of the Opponent's trade-marks also include the words ANNA'S CAKE HOUSE.

[122] At the oral hearing the Opponent's agent submitted that the ON HAH portion of the transliteration of the Mark is virtually the same phonetically as the ANNA portion of the Opponent's Trade-marks. At the oral hearing, the Applicant submitted, and I agree, that the Opponent's agent is not qualified to provide his opinion on the phonetic similarity of Chinese to English transliterations. As a result, I will disregard the Opponent's submission on this point.

[123] In terms of similarities in appearance, I note that while the second and third Chinese characters making up the Mark are not identical to those in the Opponent's trade-marks, they are very similar. Furthermore, as noted above, I have accepted Ms. Xie's expert testimony that any such differences between the characters are tantamount to reading English text which is written in either Times New Roman or Arial font.

[124] Based on the foregoing, I find that the parties' marks share similarities in both appearance and sound.

[125] Furthermore, due to the inclusion of the Chinese characters, which according to Ms. Xie translate to "ANNA", the parties' marks share a degree of similarity in ideas suggested as well.

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

*Conclusion re s. 12(1)(d) of the Act*

[127] Having considered all of the surrounding circumstances, in particular the overlap in the nature of the parties' wares and trade and the similarities in sound, appearance, 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 Mark and the Opponent's trade-marks with respect to the following wares (hereinafter referred to as the Overlapping Wares):

...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications,

namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta

[128] Having regard to the foregoing, I allow the ground of opposition based on s. 12(1)(d) of the Act with respect to the Overlapping Wares, only.

[129] With respect to the remainder of the Wares, the difference in the nature of the wares and trade shift the balance of probabilities in favour of the Applicant and I reject the ground of opposition based on s. 12(1)(d) of the Act with respect to the remainder of the Wares.

### Non-entitlement Grounds

#### *Section 16(3)(a) of the Act*

[130] The s. 16(3)(a) ground of opposition is based upon the previous use and making known in Canada by the Opponent of the Opponent's trade-marks.

[131] 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-marks, the Opponent has the initial onus of proving that the trade-marks alleged in support of its ground of opposition based on s. 16(3)(a) of the Act were used or made known in Canada prior to the filing date for the Applicant's application (December 13, 2006) and had not been abandoned at the date of advertisement of the application for the Mark (January 9, 2008) [s. 16(5) of the Act].

[132] As set out above in the discussion of the Opponent's evidence, I find that the Opponent has succeeded in establishing use of its trade-marks prior to December 13, 2006 and non-abandonment as at January 9, 2008.

[133] 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 failed to meet its burden of establishing no likelihood of confusion between the Mark and the Opponent's trade-marks with respect to the Overlapping Wares only.

[134] The non-entitlement ground of opposition is rejected for the remainder of the Wares.

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

[135] This ground of opposition essentially turns on the issue of confusion between the Mark and the Opponent's trade-marks used and made known in association with bakery products and services.

[136] 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.

[137] Pursuant to its evidential burden, the Opponent is under an obligation to show that, as of the filing of the statement of opposition, one or more of its trade-marks had become known sufficiently to negate the distinctiveness of the Mark [see *Bojangles' International, LLC v. Bojangles Café Ltd.* (2004), 40 C.P.R. (4th) 553, affirmed (2006), 48 C.P.R. (4th) 427 (F.C.T.D.)].

[138] As set out above in the discussion of the Opponent's evidence, I find that the Opponent has succeeded in establishing that its trade-marks had become known sufficiently to negate the distinctiveness of the Mark prior to February 27, 2008.

[139] 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 failed to meet its burden of establishing no likelihood of confusion between the Mark and the Opponent's trade-marks to the Overlapping Wares only.

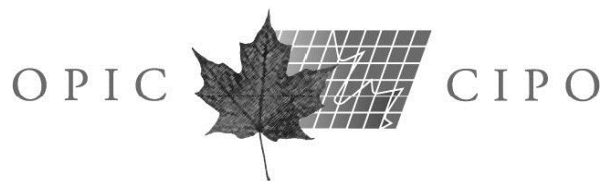
[140] The non-distinctiveness ground of opposition is rejected for the remainder of the Wares.

## Disposition

[141] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application for the Mark with respect to the wares “...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta” and I reject the opposition with respect to the remainder of the wares pursuant to s. 38(8) of the Act [see *Produits Menagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 C.P.R. (3d) 492 (F.C.T.D.) as authority for a split decision].

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



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

**Citation: 2011 TMOB 153**  
**Date of Decision: 2011-08-01**

**IN THE MATTER OF AN OPPOSITION**  
**by Cheung's Bakery Products Ltd. to**



**application No. 1,329,118 for the trade-  
mark CHINESE CHARACTERS  
DESIGN in the name of Saint Honore  
Cake Shop Limited**

[1] It has been brought to my attention that the wares “candy” were omitted from paragraph 141 of my decision dated June 20, 2011. As I meant for these wares to be included, I hereby amend this paragraph.

[2] Paragraph 141 of my decision dated June 20, 2011 is amended to read:

[141] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application for the Mark with respect to the wares “...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta” and I reject the opposition with respect to the remainder of the wares pursuant to s. 38(8) of the Act [see *Produits Menagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 C.P.R. (3d) 492 (F.C.T.D.) as authority for a split decision].

[3] As I also meant to include the wares “candy” in paragraphs 113, 116, 117 and 127, these paragraphs are amended as well.

[4] Paragraph 113 of my decision dated June 20, 2011 is amended to read:

[113] I am satisfied that the parties’ wares overlap with respect to the wares belonging to the general class of “food products”, namely,

bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta

[5] Paragraph 116 of my decision dated June 20, 2011 is amended to read:

[116] Based on the foregoing, this factor favours the Opponent with respect to the wares "...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta" and favours the Applicant with respect to the remainder of the Wares.

[6] Paragraph 117 of my decision dated June 20, 2011 is amended to read:

[117] The Applicant has not filed any evidence as to the nature of its trade. I note that the Applicant's application does not include any restriction on the channels of trade. Given the direct overlap between the parties' wares with respect to the wares "...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta" I find it reasonable to infer that there would also be an overlap in the nature of the trade with respect to these wares. With respect to the remainder of the Wares, however, I am not prepared to make such

an inference in the absence of evidence of use of the Mark as there is no direct overlap in the nature of the parties' wares.

[7] Paragraph 127 of my decision dated June 20, 2011 is amended to read:

[127] Having considered all of the surrounding circumstances, in particular the overlap in the nature of the parties' wares and trade and the similarities in sound, appearance, 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 Mark and the Opponent's trade-marks with respect to the following wares (hereinafter referred to as the Overlapping Wares):

...wrapping, containers and bags for food; ... printed matter namely menus, advertising display boards of paper, advertising leaflets, posters and publications, namely, booklets and teaching materials in the field of food and drinks; ... coffee, tea, cocoa; bread, biscuits, cakes, cookies, moon cakes, pastry, candy, ice candy, chocolates, meat pies, egg cakes, New Year cakes, puddings, ice cream, edible oils and fats; egg rolls; rice glue balls; buns; dumplings; rice-based snacks, glutinous rice dumplings; based snacks prepared from rice or cereals; sauces for cakes and pasta

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