

**IN THE MATTER OF AN OPPOSITION by Stink Inc. to  
application No. 747,917 for the trade-mark THE STINKING  
ROSE filed by Salt & Pepper Holdings Ltd.**

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On March 10, 1994, the applicant, Salt & Pepper Holdings Ltd., filed an application to register the trade-mark THE STINKING ROSE based upon use of the trade-mark in Canada since at least as early as August 30, 1993 in association with “Restaurant services”.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of May 25, 1994 and the opponent, Stink Inc., filed a statement of opposition on October 25, 1994, a copy of which was forwarded to the applicant on January 23, 1995. The applicant served and filed a counter statement in response to the statement of opposition on March 28, 1995. The opponent filed as its evidence the affidavits of Dante Serafini and two affidavits of Doug Fyfe, dated January 24, 1996 and February 12, 1996, while the applicant submitted as its evidence the affidavits of Scott L. Booth and two affidavits of John Venditti, both dated October 15, 1996. Further, the opponent requested and was granted leave pursuant to Rule 44(1) of the *Trade-marks Regulations* to file the affidavits of Rose Marie Perry and Robert W. White as further evidence in this opposition. John Venditti was cross-examined on his affidavits, the transcript of the cross-examination and the responses to undertakings given during the cross-examination forming part of the opposition record. Both parties filed a written argument and both were represented at an oral hearing.

In its statement of opposition, the opponent alleged the following in support of its opposition:

1. Stink Inc. is a corporation organized under the laws of the State of California as of April 25, 1991. It owns and operates a restaurant in San Francisco, California under the trade-mark THE STINKING ROSE which has a distinct menu emphasising the use of garlic. The restaurant opened for business on May 1, 1991 and, since that date, the trade-mark THE STINKING ROSE has acquired considerable goodwill in association with the opponent’s restaurant services in the United States of America and extending into Canada.
2. As part of its restaurant operation, the opponent sells processed food (i.e. sauces, garlic cloves and olives) and dry goods (i.e. aprons, t-shirts and coffee mugs), all of which bear the trade-mark THE STINKING ROSE. These items are also offered through a catalogue.
3. Also as part of its restaurant operation, the opponent operates concessions at Candlestick Park, a sports stadium located in San Francisco, California, and at the San Jose Sports Arena at which it sells a sandwich under the trade-mark THE STINKING ROSE 40-CLOVE GARLIC SANDWICH.

4. The opponent has applied to register the following trade-marks in Canada:

<u>Trade-mark</u>	<u>Application No.</u>	<u>Filing date</u>
STINKERS	751,646	April 6, 1994
THE STINKING ROSE	742,631	December 2, 1993
THE STINKING ROSE ORIGINAL 40-CLOVE GARLIC CHICKEN SANDWICH	751,645	April 2, 1994
WE SEASON OUR GARLIC WITH FOOD	759,807	July 2, 1994

5. The opponent and the opponent's trade-marks are well known in Canada, particularly within British Columbia. Without limiting the generality of the foregoing, the opponent and the opponent's trade-marks are well known in Canada by virtue of, but not limited to, the following kinds of advertising and promotion:

- a) articles about the opponent and its restaurant which have appeared in newspapers and magazines which circulate and are available in Canada;
- b) articles about the opponent and its restaurant in travel publications about California and San Francisco which circulate and are available in Canada;
- and
- c) distribution of brochures and catalogues to Canadians.

As well, the opponent and the opponent's trade-marks have become well known in Canada by virtue of visits by Canadians to the opponent's restaurant in San Francisco.

6. The opponent has been approached on various occasions by people interested in obtaining a license to use the opponent's trade-marks on restaurants, including persons who were interested in obtaining licenses for Canada.

7. The applicant is a British Columbia company, the shareholders of which are John Venditti and Nadine Kotelko. Both individuals visited the opponent's restaurant in San Francisco in early August of 1993. Subsequently, on or about August 5, 1993, John Venditti called the opponent and spoke with Dante Serafini, an officer, director and shareholder of the opponent. Mr. Venditti asked if Mr. Serafini would mind discussing the operations of the opponent's restaurant. Mr. Serafini said no, provided that Mr. Venditti did not plan to open a restaurant under the trade-mark THE STINKING ROSE or a restaurant featuring garlic. Mr. Venditti assured Mr. Serafini that he would not. In particular, Mr. Venditti asked Mr. Serafini about the opponent's suppliers and Mr. Serafini gave him the name of Debbie Davis at "It's Chique to Reek" in Gilroy, California.

In view of the foregoing, the opponent asserted the following grounds of opposition in its statement of opposition:

a) The present application does not comply with Subsection 30(i) of the *Trade-marks Act* in that, as of the filing date of the present application or as of the alleged date of first use, the applicant could not have been satisfied that it was entitled to use the trade-mark THE STINKING ROSE in Canada in association with restaurant services as the applicant was aware at all material times of the opponent and the use of the opponent's trade-marks in association with the wares and services described in paragraphs 1, 2 and 3 above;

b) The applicant is not the person entitled to registration of the trade-mark THE

STINKING ROSE pursuant to Paragraph 16(1)(a) of the *Trade-marks Act* in that, as of the applicant's claimed date of first use, the applicant's trade-mark was confusing with the opponent's trade-marks which were made known in Canada within the meaning of Section 5 of the *Trade-marks Act* in association with the opponent's wares and services as described in paragraphs 1, 2 and 3 above;

c) The applicant's trade-mark is not distinctive of the applicant within the meaning of Section 2 of the *Trade-marks Act* in that, at all material times, the opponent's trade-marks were well known in Canada and, as such, the applicant's trade-mark does not actually distinguish the services of the applicant from the wares and services of the opponent, nor is it adapted so to distinguish them, throughout Canada.

The affidavit of Dante Serafini, an officer, director and shareholder of the opponent, establishes the following:

a) The opponent has owned and operated "The Stinking Rose: A Garlic Restaurant" located in the North Beach area of San Francisco, California since mid-1991. The Stinking Rose restaurant serves dishes to over 6,000 patrons a week, many of the dishes being Italian in origin, with an emphasis on the use of garlic in cooking. The name THE STINKING ROSE was chosen because it reflects the restaurant's extensive use of garlic in cooking and the restaurant's humorous approach to garlic. THE STINKING ROSE trade-mark is prominently displayed on the outside of the building housing the restaurant and also appears in the restaurant menus and in the opponent's information brochures.

b) The opponent also uses the trade-mark THE STINKING ROSE in association with a concession at Candlestick Park, a sports stadium located in San Francisco, California. The concession started operations at the beginning of the 1993 baseball season. As well, the opponent has operated a concession at the San Jose Sports Arena since the beginning of the 1994 hockey season. THE STINKING ROSE trade-mark is prominently displayed on the outside of the concession stands at both Candlestick Park and the San Jose Sports Arena. Further, the opponent developed a sandwich called THE STINKING ROSE 40-CLOVE GARLIC SANDWICH which is sold at both concessions.

c) The opponent also displays its trade-mark THE STINKING ROSE on a variety of processed foods, such as sauces, garlic cloves and olives which are displayed for sale near the entrance of its restaurant, as well as on a variety of goods, such as aprons, t-shirts, coffee mugs and other items that are on display near the entrance of the restaurant. The goods can be purchased at the restaurant, as well as through an order by mail catalogue.

d) In late July 1993, Mr. Serafini was approached in the restaurant by Victor Caracciolo, owner of Italian Centre, Ltd. of Calgary, Alberta, who had sought rights to distribute goods under THE STINKING ROSE trade-mark. Mr. Venditti states in paragraph 13 of his affidavit that the opponent has since granted Italian Centre, Ltd. the right to purchase and distribute throughout Canada "Garlic Bytes", which are marinated cloves of garlic.

e) The opponent markets The Stinking Rose restaurant by contacting travel writers and other persons in Canada that have received the opponent's brochure and/or catalogue or postcard

on which is displayed the restaurant. Exhibit "J" to the affidavit is a list of names of nine persons in Canada to whom the opponent has distributed its brochures, catalogues or postcards in November of 1992.

The evidence of record also establishes that Mr. Venditti and Ms. Kotelko, both of whom are principals in the applicant, together with Mr. and Mrs. Rabson, visited the opponent's THE STINKING ROSE restaurant in San Francisco in late July of 1993. Further, Mr. Venditti spoke with Mr. Serafini by telephone shortly after that visit and obtained information concerning the opponent's supplier of decorative garlic buds located in Gilroy, California. The evidence, however, is conflicting as to whether Mr. Venditti advised or assured Mr. Serafini during their telephone conversation that he would not be opening a restaurant under the name THE STINKING ROSE. The evidence also establishes that the applicant's restaurant specializes in Italian cuisine and that about 85% to 90% of Italian dishes contain garlic. Further, from the transcript of the Venditti cross-examination, a couple of people per month starting in September of 1993 have come into the applicant's restaurant in Coquitlam, British Columbia and have asked if the restaurant is affiliated with the opponent's restaurant in San Francisco. Finally, while the evidence of record establishes that the expression "stinking rose" is a name which is used to refer to garlic, I suspect that the average user of restaurant services in Canada would not be aware of this fact.

Apart from the above, Exhibit "A" to the Venditti affidavit is a decision of the Supreme Court of British Columbia dated February 14, 1994 which dismissed an application by the plaintiff, Stink Inc., for an interlocutory injunction restricting the defendants, John Venditti carrying on business as THE STINKING ROSE ITALIAN RESTAURANT and THE STINKING ROSE ITALIAN RESTAURANT, from using the trade-name "The Stinking Rose" pending trial. Exhibit "O" to the Serafini affidavit and Exhibits "A", "B" and "C" to the second Venditti affidavit are copies of affidavits filed by the parties in the interlocutory injunction proceeding. However, the contents of these affidavits are hearsay evidence with respect to both Mr. Serafini and Mr. Venditti and no explanation has been provided by either party as to why fresh affidavits were not prepared and adduced as evidence in this proceeding. As neither party has established the necessity for submitting these affidavits as exhibits to the Serafini and the second Venditti affidavits, I have accorded no weight to them.

The first ground of opposition is based on Subsection 30(i) of the *Trade-marks Act*. While the legal burden is on the applicant to show that its application complies with Section 30 of the *Trade-marks Act*, there is an initial evidential burden on the opponent to establish the facts relied upon by it in support of its Section 30 ground [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; and *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R.(3d) 293]. The material time for considering the circumstances respecting the issue of non-compliance with Section 30 of the *Act* is the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R.(3d) 469, at p. 475].

The evidence of record does not establish the existence of a relationship between the opponent and John Venditti and Nadine Kotelko, such as an employer-employee or a trade-mark owner-distributor relationship, which might arguably preclude the applicant from being satisfied as to its entitlement to use the trade-mark THE STINKING ROSE in Canada. Further, while Mr. Venditti and Ms. Kotelko visited the opponent's restaurant in late July of 1993 and Mr. Venditti spoke with Mr. Serafini by telephone shortly after that visit and obtained information concerning the opponent's supplier of decorative garlic buds, these events occurred subsequent to the organizing of the applicant's restaurant in Coquitlam. As a result, and bearing in mind the decision of the Supreme Court of British Columbia in the interlocutory injunction application proceeding which was rendered prior to the applicant's filing date, I consider that the applicant could certainly have been satisfied as of the filing date of the present application that it was entitled to use the trade-mark THE STINKING ROSE in Canada in association with restaurant services. I have therefore dismissed the first ground of opposition.

The second ground is based on Paragraph 16(1)(a) of the *Trade-marks Act*, the opponent alleging that the applicant is not the person entitled to registration of the trade-mark THE STINKING ROSE in that, as of the applicant's claimed date of first use, the applicant's trade-mark was confusing with the opponent's trade-marks which were previously made known in Canada. Section 5 of the *Trade-marks Act* provides as follows:

5. A trade-mark is deemed to be made known in Canada by a person only if it is used by that person in a country of the Union, other than

Canada, in association with wares or services, and  
(a) the wares are distributed in association with it in Canada, or

(b) the wares or services are advertised in association with it in  
(i) any printed publication circulated in Canada in the ordinary course of commerce among potential dealers in or users of the wares or services, or  
(ii) radio broadcasts ordinarily received in Canada by potential dealers in or users of the wares or services,  
and it has become well known in Canada by reason of the distribution or advertising.

5. Une personne est réputée faire connaître une marque de commerce au Canada seulement si elle l'emploie dans un pays de l'Union, autre que le Canada, en liaison avec des

marchandises ou services, si, selon le cas :

a) ces marchandises sont distribuées en liaison avec cette marque au Canada;

b) ces marchandises ou services sont annoncés en liaison avec cette marque :

(i) soit dans toute publication imprimée et mise en circulation au Canada dans la pratique ordinaire du commerce parmi les marchands ou usagers éventuels de ces marchandises ou services,

(ii) soit dans des émissions de radio ordinairement captées au Canada par des marchands ou usagers éventuels de ces marchandises ou services, et si la marque est bien connue au Canada par suite de cette distribution ou annonce.

In order for its trade-mark to be deemed to have been made known in Canada, the opponent must satisfy the Registrar not only that it has used its trade-mark THE STINKING ROSE in the United States of America in association with restaurant services, but also that its restaurant services have been advertised in association with its mark in printed publications which have circulated in Canada in the ordinary course of commerce among potential users of its services. Further, the opponent must show that its trade-mark THE STINKING ROSE has become “well known” in Canada by reason of such advertising as of the applicant’s claimed date of first use [August 30, 1993], the material date for considering this ground. In the present case, and even if all of the materials relied upon by the opponent could properly be characterized as advertising of its restaurant services in Canada, which is not the case, I do not consider that the opponent’s trade-mark THE STINKING ROSE had become “well known” in British Columbia or in Vancouver as of August 30, 1993. This ground of opposition is therefore unsuccessful.

The final ground relates to the alleged non-distinctiveness of the applicant’s mark. While the legal burden is on the applicant to show that its trade-mark THE STINKING ROSE is adapted to distinguish or actually distinguishes its restaurant services from those of others throughout Canada [see *Muffin Houses Incorporated v. The Muffin House Bakery Ltd.*, 4 C.P.R.(3d) 272 (T.M.O.B.)], there is an initial evidential burden on the opponent to establish the facts being relied upon by it in support of this ground. Furthermore, the material time for considering the circumstances respecting

this issue is as of October 25, 1994, the filing date of the statement of opposition [see *Re Andres Wines Ltd. and E. & J. Gallo Winery*, 25 C.P.R.(2d) 126, at p. 130 (F.C.A.); *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.*, 37 C.P.R.(3d) 412, at p. 424 (F.C.A.); and *Merrill Lynch & Co. v. Bank of Montreal*, 66 C.P.R. (3d) 150, at p. 164 (F.C.T.D.)]. I would also note that it is not necessary for the opponent to show that its trade-mark THE STINKING ROSE is well known in Canada or that it has been made known solely by the restricted means set forth in Section 5 of the *Act* [see *Motel 6, Inc. v. No. 6 Motel Ltd.*, 56 C.P.R.(2d) 44, at p. 55 (F.C.T.D.)].

The opponent has submitted the affidavits of Doug Fyfe and Robert W. White in support of this ground. Exhibits 1 to 4 of the first Fyfe affidavit are copies of excerpts from four Canadian publications dated prior to the material date where passing reference only is made to THE STINKING ROSE restaurant in San Francisco while Exhibits 5 to 21 are copies of excerpts from various United States publications including the *San Francisco Chronicle*, the *Los Angeles Times* and the *Dallas Morning News* in which reference is made to the opponent's restaurant. However, none of the United States publications has been shown to have had any more than minimal circulation in Canada. Mr. Fyfe has also annexed as Exhibit 22 to his first affidavit the text of an article taken from the LEXIS electronic database which appeared in the February 1992 issue of *Men's Health*, this magazine having a Canadian circulation exceeding 14,500 including 2,500 in British Columbia [see Exhibit "B", White affidavit]. Further, while the Fyfe affidavits introduce into evidence copies of pages from travel guides, the opponent's evidence does not establish that any of these guides were available in Canada prior to the material date. On the other hand, Scott L. Booth states in his affidavit that he visited the Vancouver Public Library and four different book stores located in Vancouver in December of 1993 where he reviewed 32 publications relating to San Francisco and California and was unable to locate any reference to the opponent's restaurant in any of the publications.

The opponent's evidence establishes the existence of one relevant publication containing an article relating to the opponent's restaurant which had some measurable circulation in Canada and, in particular, in British Columbia. Further, from the Serafini affidavit, a Mr. Caracciolo from Calgary, Alberta and a Mr. Mansueto of Vancouver, British Columbia were also familiar with the

opponent's restaurant prior to the date of opposition. Additionally, in paragraph 17 and Exhibit "J" to his affidavit, Mr. Serafini identifies a list of names of nine travel writers and other persons in Canada who apparently received the opponent's brochure and/or catalogue or postcard in November of 1992. However, in view of the enquiries made by Mr. Booth as outlined in paragraphs 27 and 28 of his affidavit, I am not prepared to accord much weight to this aspect of Mr. Serafini's evidence.

Were the above the only evidence in support of the final ground, I would have concluded that the opponent has not met its evidential burden in relation to the non-distinctiveness issue. However, the opponent has also relied upon the transcript of the Venditti cross-examination as supporting this ground of opposition. In particular, the transcript of the Venditti cross-examination establishes that commencing in September of 1993, a couple of people a month have visited the applicant's restaurant in Coquitlam and have asked the waiters if it is affiliated with the opponent's restaurant in San Francisco. Further, from the transcript, it would appear that Ms. Rabson, who is also the sister of Nadine Kotelko, was aware of the opponent's restaurant and mentioned it at a dinner party in March of 1993 at which Ms. Kotelko and Mr. Venditti were present. This evidence therefore establishes that at most fifty persons in the Vancouver area were aware of the opponent's trade-mark prior to the date of opposition.

Apart from the above, I am mindful of the decision in the interlocutory injunction application proceeding where Mr. Justice Houghton concluded as follows:

In my opinion, the plaintiff has not established a reputation in Vancouver for its name "The Stinking Rose" such that the public would be confused on seeing the defendant's name into thinking that it was connected with the San Francisco restaurant. More likely it would think of garlic."

However, Houghton, J. did not have before him the transcript of the Venditti cross-examination in which Mr. Venditti states that a few of the applicant's customers each month have asked whether the applicant's restaurant is affiliated with the opponent's restaurant in San Francisco. On the other hand, Mr. Justice Houghton did have access to the affidavits from individuals which were annexed as Exhibit "O" to the Serafini affidavit and Exhibits "A", "B" and "C" to the second Venditti affidavit.



In considering this ground, I would note that the opponent's restaurant had only been in operation in San Francisco for about three and a half years as of the date of opposition. As well, the applicant's evidence confirms that the expression "stinking rose" in reference to garlic appears in far more publications which have circulated in Canada than those which have referred to the opponent's restaurant. As a result, and even considering that there were about fifty people in the greater Vancouver area who were aware of the opponent's restaurant as of the material date, I have my doubts as to whether this evidence, together with the minimal evidence of the opponent which supports this ground, is sufficient to meet the evidential burden on the opponent. In any event, and even assuming that the evidence of record is sufficient to meet the opponent's evidential burden, the applicant's evidence establishes that it had operated its restaurant in Coquitlam, British Columbia for almost fourteen months prior to the date of opposition. I have concluded, therefore, that the applicant has met the legal burden upon it of showing that its trade-mark THE STINKING ROSE distinguishes its restaurant services from those of the opponent in Canada including the area in Vancouver where the applicant had carried on business. I have therefore rejected the final ground of opposition.

Having been delegated by the Registrar of Trade-marks pursuant to Subsection 63(3) of the *Trade-marks Act*, I reject the opponent's opposition pursuant to Subsection 38(8) of the *Trade-marks Act*.

DATED AT HULL, QUEBEC, THIS 30<sup>th</sup> DAY OF DECEMBER, 1999.

G.W. Partington  
Chairperson  
Trade-marks Opposition Board.