



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

Citation: 2011 TMOB 82
Date of Decision: 2011-05-30

**IN THE MATTER OF OPPOSITIONS by
9109-1322 Quebec Inc. doing business as
Marché Daou to application Nos. 1,132,585
and 1,132,586 for the trade-marks
RESTAURANT DAOU and DAOU & Design
respectively, in the name of Restaurant Daou
Inc.**

[1] On February 26, 2002, Restaurant Daou Inc. (the Applicant) filed applications to register the trade-marks RESTAURANT DAOU and DAOU & Design (shown below) (sometimes hereinafter collectively referred to as the Marks) based upon proposed use of the Marks in Canada in association with the following wares and services, as revised:



Ready-to-serve and frozen prepared Lebanese and Middle Eastern vegetables, meats, seafood, soups, pastries, whole and ground spices, dried herbs, canned, preserved, marinated, grilled, dried and cooked fruits, vegetables, legumes and meats, olives, pasta, rice, flour, semolina, tapioca, barley, cracked wheat, vine leaves, vinaigrettes, flavoured vinegars, flavoured and unflavoured cooking oils, breads, pits, jams, jellies, cookies, cakes,

candies, honey, nuts, rose water, tisanes, tea, coffee, fruit and vegetable juices and drinks, yogurt beverages, and kitchen wares, namely, mugs, glasses, tea pots, coffee pots, bowls, plates, tea towels, aprons, tablecloths, napkins, and T-shirts.

The operation of cafés and fast food take-out outlets, all of which specializing in Lebanese and Middle Eastern food products, prepared and cooked and raw foods, sauces, condiments, spices, oils, and franchising services. (the Wares and Services)

[2] The applications were advertised for opposition purposes in the *Trade-marks Journal* of December 15, 2004.

[3] On February 15, 2005, 9109-1322 Quebec Inc., doing business as Marché Daou (the Opponent), filed essentially identical statements of opposition against each application. On March 9, 2005, the Opponent sought leave to amend its statements of opposition so as to correct a clerical error. By way of Office letters dated April 26, 2005, leave was granted by the Registrar to so amend the statements of opposition. The grounds of opposition are:

- (i) The applications for the Marks “[do] not comply with the requirements of s. 30(a) of the [*Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act)] in that the Applicant has no intention of using the [Marks] in association with the wares listed in the application[s]”;
- (ii) The Applicant is not the person entitled to registration of the Marks pursuant to s. 16(3)(a) of the Act in that “at the time of filing of the [a]pplication[s], the [Marks were] confusing with the Opponent’s trade-mark MARCHÉ DAOU & Design previously used and made known in Canada in association with supermarket store services”; and
- (iii) “Having regard to s. 38(2)(b) and 2 of the Act, the [Marks are] non-distinctive in that [they are] not adapted to distinguish, nor [are they] capable of distinguishing, the [Wares and Services] from the wares and services of others, including the services of the Opponent, given that the Opponent has used the trade-mark MARCHÉ DAOU & Design [shown below], an application for registration of which was filed in Canada by the Applicant [sic – should have read the Opponent]

under No. 1,164,075, on January 7, 2003, in association with supermarket store services”:



[4] The Applicant filed and served a counter statement in each case in which it denies the Opponent’s allegations. The Applicant further specifically denies the date of first use of December 24, 2001 claimed in the Opponent’s aforementioned application No. 1,164,075 and adds that the Marks are “associated with the Applicant’s trade-marks RESTAURANT DAOU and DAOU & Design previously used and made known in Canada since 1975 and 1995 respectively by the Applicant (and its predecessor in title as the case may be) on food related wares and services as described in the Applicant’s applications under App. Nos. 1,132,583 [sic – should have read 1,134,983] (DAOU & Design) and 1,132,587 (RESTAURANT DAOU), namely:

Lebanese and Middle Eastern vegetarian and meat dishes, namely, fatouche (Lebanese salad), tabouleh (parsley cracked wheat salad), baba ganouj (eggplant spread), habra nayeh (fresh raw meat with onion), hummus tahini (chick pea dip with sesame juice), hummus hachoui (chick pea dip with mixed cooked meat), hummus snoubar (chick pea dip with pine nuts), jibneh (white cheese), kebe nayeh (fresh raw meat with cracked wheat), kefta nayeh (fresh raw meat with parsley), labneh (pressed cream yogurt with or without garlic), yabrak (vine leaves stuffed with meat), yabrak siameh (vegetarian vine leaves), cucumbers in yoghurt sauce, falafel, fatayer lahem (meat pie), fatayer sapanech (spinach pie), fatayer zaatar (thyme pie), foule mesdamas (seasoned fava beans), hachoui (minced cooked meat), kebe akras (meat balls stuffed with crushed wheat and minced meat), kebe sanieh (cooked meat stuffed with minced meat), sojok (spicy Lebanese sausage), aroussa (grilled pita stuffed with meat and vegetables), kefta kebab (grilled mince meat), khach-khach kebab (broiled ground meat), grilled chicken, shish kebab, grilled shrimps, grilled vegetables, pita meat and vegetarian sandwiches, Lebanese rice, baklava, katayef, mouhalabiya (Oriental pudding), Lebanese pastries, marinated raw meats, seasoned yogurt sauces and condiments.

Operation of restaurants, banquet halls and food catering specializing in Lebanese and Middle Eastern cuisine, takeout sale and delivery of Lebanese and Middle Eastern prepared cooked and raw foods, sauces and condiments.”

[5] It is to be noted that the design covered by application No. 1,134,983 for the DAOU & Design trade-mark is identical to the one covered by the present application No. 1,132,586.

[6] As its evidence in each case, the Opponent filed the affidavits of Vincent Daou, Manager of the Opponent, sworn November 24, 2005, and Karla M. Adamsons, an articling student with the law firm representing the Opponent in the present opposition proceedings, sworn November 25, 2005. I will use the singular form to refer to the two affidavits of Mr. Daou, which share the same structure. For the same reason, I will also use the singular form to refer to the two affidavits of Ms. Adamsons. Mr. Daou was cross-examined on his affidavit and the transcript of the cross-examination as well as the exhibits thereof and answers to undertakings form part of the record. In support of its application in each case, the Applicant filed the affidavit of Maroun Messan, Director of Operations of the Applicant, sworn January 17, 2006. I will use the singular form to refer to the two affidavits of Mr. Messan, which share the same structure.

[7] Only the Applicant filed a written argument in each case. An oral hearing was not requested.

Onus

[8] The Applicant bears the legal onus of establishing, on a balance of probabilities, that each of its applications complies with the requirements of the Act. However, there is an initial evidentiary 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 Ltd v. Molson Companies Ltd.* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.); and *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].

[9] Applying these principles to the present cases, the only ground of opposition the Registrar must decide on is that based on non-distinctiveness of the Marks. The s. 30(a) and

16(3)(a) grounds of opposition can be summarily dismissed as follows:

- the s. 30(a) ground, as pleaded, does not raise a proper ground of opposition. Assuming that the Opponent meant to refer to s. 30(e) of the Act rather than s. 30(a), such ground of opposition still ought to be dismissed on the basis that the Opponent has failed to meet its initial evidentiary burden in respect thereof. There is no evidence whatsoever that puts into issue the correctness of the proposed use basis claimed in each of the Applicant's applications; and
- the s. 16(3)(a) ground fails because the Opponent has failed to show that as of the date of filing of the applicant's applications, namely February 26, 2002, its trade-mark MARCHÉ DAOU & Design had been previously used in Canada and had not been abandoned as of the date of advertisement of the Applicant's applications [s. 16(5) of the Act]. As per my review below of the Opponent's evidence under the non-distinctiveness ground of opposition, while Mr. Daou states in his affidavit that the Opponent has been carrying on its business of providing supermarket store services in association with the trade-mark MARCHÉ DAOU & Design since at least as early as December 24, 2001 - the whole in line with the date of first use claimed by the Opponent in its application No. 1,164,075 referred to above - the cross-examination of Mr. Daou reveals that such use did commence only on March 12 or 13, 2002, that is after the date of filing of the Applicant's applications.

[10] I will now turn to the non-distinctiveness ground of opposition.

Non-distinctiveness ground of opposition

[11] An opponent meets its initial evidentiary burden with respect to a non-distinctiveness ground if it shows that as of the filing date of the statement of opposition its trade-mark had a substantial, significant or sufficient reputation in Canada so as to negate the distinctiveness of the applied-for mark [see *Bojangles' International LLC v. Bojangles Café Ltd.* (2006), 48 C.P.R. (4th) 427 (F.C.)].

[12] This brings me to address the Opponent's evidence on this point in light of the evidence introduced by the Applicant as well as the submissions made by the Applicant in its written argument.

[13] Mr. Daou states that the Opponent is named after his family, and utilizes his Lebanese family name, Daou. Accordingly, his family name forms part of the trade-marks used in connection with the Opponent's business [paragraph 2 of his affidavit]. The fact that DAOU is a family name is not contested by the Applicant. However, the Applicant submits that it is not a common surname in Canada. I will revert to this point later on in my analysis.

[14] Mr. Daou states that the Opponent has been carrying on its business of providing supermarket store services in association with the trade-mark MARCHÉ DAOU & Design since at least as early as December 24, 2001. He further states that in providing supermarket services, the Opponent offers for sale a wide variety of grocery items that includes fruits, vegetables, meats, breads, dairy products, condiments, canned soups, delicatessen meats, salads and preserves, desserts, pastries, packaged snacks, bottle drinks, spices, dry goods, frozen foods, and pre-prepared food for take-out [paragraph 6 of his affidavit].

[15] Mr. Daou states that the trade-mark MARCHÉ DAOU & Design is displayed throughout the Opponent's store, which is located at 4870 Boul. Des Sources, Dollars-des-Ormeaux, Quebec, on point of sale signs that display the item and the price to the customer, on labels that display the name and price of the various items of the grocery store, on pastry boxes, on grocery bags, and on the sales receipts. The trade-mark MARCHÉ DAOU & Design is also displayed on a sign that is located over the store front as well as on a lighted sign near the roadway [paragraphs 7 and 11 of his affidavit]. The cross-examination of Mr. Daou reveals that the food that is prepared on site and put outside in the Opponent's counter display is labeled under the name MEZZA XPRESS [transcript, p. 52]. The Opponent's grocery store is not a fast food takeout outlet [transcript, p. 35].

[16] Mr. Daou further states that the Opponent advertises in local community newspapers to

promote its grocery store business, and has done so since as early as March 10, 2002. All of the advertising prominently displays either the trade-mark MARCHÉ DAOU & Design or the trade-mark MARCHÉ DAOU [paragraph 8 of his affidavit]. The Opponent also advertises in local telephone directories [paragraph 9 of his affidavit] and in community calendars that are distributed locally and directed to the Middle Eastern community and Arabic community [paragraph 10 of his affidavit].

[17] In support of the above statements of use, Mr. Daou attaches the following exhibits:

- Exhibit C that consists of photocopies of various sales receipts dated March 13 and 14, 2002;
- Exhibit D that consists of copies of photographs of the store front sign and of the lighted sign located by the roadway, which feature the trade-mark MARCHÉ DAOU & Design;
- Exhibit E that consists of a bundle of photocopies of local newspaper advertisements featuring the trade-mark MARCHÉ DAOU & Design. As pointed out by the Applicant during the cross-examination of Mr. Daou, the advertisement placed in the March 10, 2002 edition of *Cités Nouvelles / City News* reports the “GRANDE OUVERTURE MERCREDI LE 13 MARS” of the Opponent’s grocery store under the trade-mark MARCHÉ DAOU & Design, which is also advertised as “NOUVEAU DANS L’OUEST DE L’ILE – NEW IN THE WEST ISLAND”. The “grand opening” of the Opponent’s grocery store is also advertised in the March 13, 2002 edition of *The West Island Suburban*. In the subsequent advertisement placed in that latter newspaper dated March 20, 2002, the mention “NOW OPENED – NEW IN THE WEST ISLAND” is made. The subsequent advertisements placed in the March 27, April 3 and 10, 2002 editions of *The West Island Suburban* bear the mention “NEW IN THE WEST ISLAND”. The advertisements placed in the November 30, 2003, and January 4, 2004 editions of *Cités Nouvelles / City News* bear the mention “NOTRE COMMERCE ET NOS PRODUITS NE SONT PAS RELIÉS NI NE DÉRIVENT DES PRODUITS DU RESTAURANT DAOU INC.” I will revert to this point later on in my decision;
- Exhibit F that consists of a bundle of photocopies of the telephone directory pages of the 11th edition 2003-2004 of *Le Guide de la Communauté Libanaise*, the 10th edition 2004

and 11th edition 2005 of the *Arabic Yellow Guide*, and *The Montréal Jewish Magazine Directory Spring / Summer 2005* having printed advertising promoting the Opponent's business and prominently featuring the trade-mark MARCHÉ DAOU & Design or the trade-mark MARCHÉ DAOU;

- Exhibit G that consists of a photocopy of the pages from a community calendar entitled "LIBAN 2005: Retour aux racines / Back to the roots", which features the trade-mark MARCHÉ DAOU & Design and the trade-mark MARCHÉ DAOU;
- Exhibit H that consists of a bundle of documents comprised of a photograph of a pastry box that features the trade-mark MARCHÉ DAOU & Design on its lid; a photocopy of a grocery bag featuring the trade-mark MARCHÉ DAOU & Design; and various labels that display the price of the various items of the grocery store and feature the trade-mark MARCHÉ DAOU & Design;
- Exhibit I that consists of two photographs of the Opponent's delivery van featuring the trade-mark MARCHÉ DAOU & Design; and
- Exhibit J that consists of a copy of a business card featuring the trade-mark MARCHÉ DAOU & Design.

[18] As indicated above, the cross-examination of Mr. Daou reveals that the Opponent only commenced use of the trade-mark MARCHÉ DAOU & Design on March 12 or 13, 2002 as opposed to as early as December 24, 2001. I wish to reproduce on this point a few of the various passages of the transcript where the start date of March 12 or 13 has been confirmed by Mr. Daou:

Q 17. Can you tell me what locations for your places of business are?

A. It's on 4870 Boulevard des Sources in Dollard des Ormeaux.

Q 18. Is there any other places of business in Canada?

A. Not in Canada, but in the States, yes.

Q 19. Okay, we're going to get to that in a minute.

A. M'hm.

Q 20. So that there's no confusion. And do you know the date that you commenced operations at 4870 Boulevard des Sources, Dollard des Ormeaux?

A. Personally or the business?

Q 21. Well, it's always in the context of the business of this company...

A. Okay.

Q 22. ...9109-1322 Quebec Inc. When did you commence operations, like business operations, at this address?

A. It was the 24th of December, 2002.

Q 23. So you opened your store on Christmas Eve...

A. M'hm.

Q 24. ...2001?

A. M'hm. Yes.

Q 25. Okay. I point you again now to Exhibit VD-1. The commercial activities of the company is stated as being *marché alimentaire*, which is a supermarket. Is that the only activity of the company?

A. Basically, yes.

Q 26. What do you mean by "basically, yes"?

A. A supermarket, yes.

Q 27. I'm going to point you now to page 2 of Exhibit VD-1. We see here, in terms of the places of business, Marché Daou, with an address at 4870 Boulevard des Sources. I see there the starting date as being November 19, 2001. Can you tell me whether the date is November 19, 2001 or December 24, 2001 this is just dated?

A. You know, it took some time to get started, probably...I mean, we had opened the doors then...

Q 28. "Opened the doors then"...

A. 19 of November.

Q 29. When you say "opened the doors", do you mean...

A. For clients, for business.

Q 30. To the public?

A. To the public.

[...]

Q 46. I'm going to continue on the issue of the date that you started business, opening the doors to the public. Are you aware that there is existing litigation between 9109-1322 Quebec Inc., Marché Daou, and the Applicant, Restaurant Daou Inc., before the Superior Court of Quebec?

A. Right now, yes, I do know this.

Q 47. You do know. Okay. In the context of that Court proceeding before the Superior Court, which I will call the injunction proceeding...are you following?

A. M'hm.

Q 48. Are you aware that Mr. Ghassan Daou signed an Affidavit filed into the Court record for the injunction proceeding?

A. Yes.

Q 49. You are aware?

A. Yes.

Q 50. Have you seen that Affidavit?

A. I probably have, but I don't recall the contents of the Affidavit.

Q 51. I will show you a copy of that Affidavit [...]

Q 52. Mr. Daou, what you're looking at is an Affidavit in the Court record number of the Superior Court of Quebec, [...], it's an Affidavit of Ghassan Daou, dated March 27, 2002, Have you seen this Affidavit signed by Mr. Ghassan Daou?

A. Now, yes, I do see in front of me, but I don't recall if I've seen it before.

Q 53. All right, that's fine. I will just ask you some questions. You don't have to look at it any further.

A. Okay.

Q 54. There's no production of this Affidavit. I understand that Mr. Ghassan Daou is the president of 9109-1322 Quebec Inc.

A. That's correct.

[...]

Q 56. Would it be to the knowledge of Mr. Ghassan Daou, as president of 9109-1322 Quebec Inc., the date that the company opened for business at 4870 Boulevard des Sources, Dollard des Ormeaux?

A. Yes.

Q 57. He would know that?

A. Sure.

Q 58. As the president of the company?

A. Yes.

Q 59. If I tell you that in his Affidavit dated March 27, 2002 filed in the injunction proceedings before the Superior Court of Quebec, Mr. Daou states that the business only opened on March 12, 2002, if I say that to you, what date would be accurate? March 12, 2002 or November 19, 2001?

A. March 12, 2002.

Q 60. That is the accurate date...

A. Yes.

Q 61. ...for the opening of the doors...

A. Yes.

Q 62. ... to the public?

A. Yes.

[...]

Q 153. And when did you start doing this activity of selling prepared foods with a sticker that has "Marché Daou" on it?

A. Since day one.

Q 154. Since day one?

A. M'hm.

Q 155. Being day one is the date that you opened for business?

A. Exactly.

Q 156. Which we now understand to be March 12, 2002?

A. Yes.

[...]

Q 168. Let me just...how long have you been in the grocery business?

A. As long as this business is open.

Q 169. So, since 2002, March 12 of 2002?

A. That's correct.

[...]

Q 226. It's still accurate that's the Marché Daou used...your company, 9109-1322 Quebec Inc., used the Marché Daou trade-mark for supermarket store services as early as 2001?

A. M'hm.

Q 227. That information is correct?

A. M'hm. Yes.

Q 228. You realize that your brother, the president, and yourself have stated to the contrary, that the date of opening to the public was March 12, 2002?

A. Yes, that was the grand opening, yes.

Q 229. Grand opening.

A. Yes. That's when we advertised in the paper that the store...the grand opening is then.

Q 230. Okay.

A. But like I said before, the door was open to the public just because we had a few items,

we were setting up the store and we were training the employees probably a few weeks before.

Q 231. Okay. So the date of 2001, in your mind, has to do with the training of your staff?

A. Yes.

Q 232. Did you make any sales to the public as a supermarket in 2001?

A. I don't recall if we made any...I mean, we have all the receipts, so we could tell from the receipts.

Q 233. And undertaking number 3 is to check your receipts to show me a sale that took place in 2001.

[Counsel for the Opponent]: And if they're available, we'll provide a copy. [No copies were provided. The earliest sales receipts of record consist of the ones dated March 13 and 14, 2002 re. Exhibit C described above].

[19] I will revert to Mr. Daou's written and oral testimony later on. Turning to the Applicant's evidence, the Messan affidavit establishes the following:

[20] The RESTAURANT DAOU trade-mark was first used in Canada as early as November 7, 1975, in association with food-related services by the late Nehmé Daou, the Applicant's predecessor in title and founder of "Restaurant Daou", carrying on business as a sole proprietorship under the trade-name "DAOU RESTAURANT REGD" in English and "RESTAURANT DAOU ENR." in French [paragraph 7 of his affidavit, and Exhibit MM-4].

[21] The Applicant was incorporated on May 16, 1984 by the Applicant's predecessor in title, pursuant to the laws of Canada [paragraph 8 of his affidavit, and Exhibit MM-5].

[22] On October 16, 1994, the Applicant's predecessor in title incorporated 9010-1924 Quebec Inc. as the Applicant's sister company, pursuant to the laws of Quebec, to expand the business operations under the trade-mark RESTAURANT DAOU to a second location in the City of Montréal, and which company carries on business under the trade-names RESTAURANT DAOU II and DAOU with the consent of the Applicant. At all relevant times, the Applicant and its sister company, 9010-1924 Quebec Inc., have been owned and operated by

the same shareholder group [paragraphs 9 and 10 of his affidavit, and Exhibit MM-6].

[23] Since May 16, 1984, the Applicant has continued the use of the RESTAURANT DAOU trade-mark in Canada on the wares and services as described in the Applicant's application No. 1,132,587 referred to above [paragraph 11 of his affidavit].

[24] Since at least 1995, the Applicant has continued the use of the DAOU & Design trade-mark covered by the Applicant's application No. 1,134,983 referred to above, in Canada on the wares and services as described in that application [paragraph 12 of his affidavit].

[25] The Applicant and its sister company use the Marks in connection with the "Restaurant Daou" business in two locations in the City of Montréal. The two RESTAURANT DAOU locations operated by the Applicant and its sister company respectively offer the sale of the same food products and services as described in the Applicant's application Nos. 1,132,587 and 1,134,983 referred to above and are viewed by the public as part of the same business enterprise. All use of the Marks in association with the wares and services as described in the Applicant's aforementioned applications by the Applicant's sister company accrues to the benefit of the Applicant as owner [paragraphs 13, 14, and 18 of his affidavit].

[26] The two RESTAURANT DAOU locations use the same menu and all menu items offered for consumption in the premises are also available for sale as take out and delivery as pre-cooked and/or ready to cook prepared food products, at the customer's preference. The catering and banquet hall services of the Applicant are very popular and in high demand with customers who want Lebanese and Middle Eastern specialty dishes or who want to hold events at a venue serving Lebanese and Middle Eastern cuisine, especially those within the Montréal Lebanese community [paragraphs 15 and 16 of his affidavit].

[27] In fact, the Applicant is regularly approached to sponsor or to provide Lebanese and Middle Eastern specialty foods for Montréal Lebanese community fundraisers and events having a Lebanese theme [paragraphs 17 and 29 of his affidavit, and Exhibit MM-15 that consists of copies of advertisements placed in the *Achtarout guide to Lebanese wine*, the 20th anniversary

gala of the *Association Charitable Druze du Québec* (March 20, 2004 programme book); *Le Guide Jaune Arabe* (Arabic Yellow Guide) for 2001; the *Yellow Pages* (L'Édition de quartier – Villera) for January 1998 - January 1999 and June 1998 – June 1999); *La Fondation Marie-Louise-Clarac* fundraising dinner 2002; *L'Espace Art de Vivre de la SAQ – Les beautés du Liban*, on March 24, 2004; *The Montréal Jewish Directory* (1996 Spring/Summer); *Festival du Monde Arabe Journées 2000*]. I note that the cross-examination of Mr. Daou does not contradict this. To the contrary, it reveals that Mr. Daou has attended Lebanese community events that were catered by the Applicant [transcript, pp. 46-47].

[28] The Applicant also has regular radio advertising for the two RESTAURANT DAOU locations [paragraph 30 of his affidavit, and Exhibit MM-16 that consists of copies of invoices issued by local Montréal radio stations from 1995, 2004 and 2007]. The Applicant further has various promotional items showing the Marks, such as postcards, matchbooks, business cards, stickers, stamped takeout food covers, plastic carrying bags [paragraphs 27 and 28 of his affidavit, and Exhibits MM-13 and 14].

[29] The Applicant has been the recipient of numerous honours and attestations for its wares and services, and pre-eminent status as a leading purveyor of Lebanese and Middle Eastern cuisine and prepared foods as well as food-related services specializing in Lebanese and Middle Eastern cuisine in Canada, and more particularly, in the greater metropolitan area of the City of Montréal, as appears in examples from:

- the 1992 *Guide Debeur des restaurants du Québec*, selected as one of the best 600 restaurants in Quebec out of 12,000 restaurants;
- the 1999 *Guide Debeur des restaurants du Québec*, selected as one of the best 500 restaurants in Quebec out of 15,000 restaurants; and
- the gold certification of *Le Choix des consommateurs au service de l'excellence* (Montréal 1994) [paragraph 25 of his affidavit, and Exhibit MM-11];

[30] The Applicant has participated regularly in culinary demonstrations and cultural events as representatives of Lebanese and Middle Eastern cuisine and culture as a result of the lengthy

association and renown of the Applicant and its predecessor in title in this field, such as the annual festival featuring food and music *Festival Montréal en Lumière* [paragraph 24 of his affidavit, and Exhibit MM-10].

[31] The Applicant's wares and services described in the Applicant's application Nos. 1,132,587 and 1,134,983 referred to above are recognized, known and referred to by the public both locally and internationally as simply "DAOU" [paragraphs 21 and 22 of his affidavit, and Exhibit MM-8 that consists of copies of Canadian and international magazine articles, travel and restaurant guides and other writings about the Applicant's wares and services in association with the RESTAURANT DAOU trade-mark referred to variously in its entirety or in the short form "DAOU"].

[32] The well established reputation of the RESTAURANT DOAU trade-mark in connection with the Applicant's wares and services were noted in the publicity and media coverage surrounding the hiring of the Applicant as the caterer for the renewal of wedding vows by the singer-celebrity Céline Dion and her husband René Angelil in Las Vegas in 2000 [paragraph 23 of his affidavit, and Exhibit MM-9].

[33] Over the past 32 years, the Applicant and its predecessor in title have invested and continue to invest important resources in time and money, to build up and protect the reputation and goodwill of the wares and services in association with the RESTAURANT DAOU trade-mark, including promotional expenses such as advertisements, packaging, stationary and signage that features the Applicant's DAOU & Design mark since 1995, and the Applicant has spent annually on average \$60,000 for promotional expenses over the past five years [paragraph 31 of his affidavit].

[34] The Applicant has acted diligently to protect the integrity and distinctiveness of the RESTAURANT DAOU trade-mark as well as the goodwill in respect of the RESTAURANT DAOU trade-mark in association with the wares and services described in the Applicant's application Nos. 1,132,587 and 1,134,983 referred to above. More specifically, on March 11, 2002, the Applicant has instituted injunction proceedings against the Opponent before the

Superior Court of Quebec to obtain a court order prohibiting the Opponent, *inter alia*, from using any trade-name or trade-mark which would be confusing with the Applicant's RESTAURANT DAOU in its entirety and in the short form DAOU (as comprised in the Applicant's DAOU & Design mark) in association with wares and services relating to Lebanese and Middle Eastern cuisine and food products. On April 9, 2002, the Applicant obtained a safeguard order from the Superior Court against the Opponent in consideration of the fact that use of the same name (DAOU) as the Applicant's RESTAURANT DAOU trade-mark and as appears in its short form as comprised in the Applicant's DAOU & Design trade-mark, by the Opponent in conjunction with the same products as the Applicant may dilute the goodwill attached to the Applicant's wares and services in association with the Marks, pending a hearing on the merits of the injunction, ordering "that in all advertising material and labels which do not have any distinct label bearing a name other than 'Daou', [the Opponent] shall include or add to same, in a bold and visible manner, a clear disclaimer to the effect that such products are not in any manner affiliated with the products of, or, derived from the Restaurant Daou Inc." [paragraphs 34, 35 and 36 of his affidavit, and Exhibits MM-19 and 20]. As per my review of Mr. Daou's affidavit above, the specimens of advertisements placed in the November 30, 2003, and January 4, 2004 editions of *Cités Nouvelles / City News* filed as Exhibit E include that disclaimer.

[35] As indicated above, the Applicant submits that DAOU is not a common surname in Canada and is not necessarily understood by the general public as being a surname as such. The Applicant relies on Mr. Messan's affidavit to the effect that it was not a common surname in Canada in 1975 when the Applicant's predecessor in title, Nehmé Daou, founded the RESTAURANT DAOU business operations and adopted and commenced use of the RESTAURANT DAOU trade-mark in association with Lebanese and Middle Eastern cuisine and food products and food related services. The Applicant submits that it is still not a common surname in Canada today, as shown by the fact that there were only 61 personal listings for DAOU as a surname in the Canada 411 Electronic Directory as of January 17, 2008 [paragraph 39 of Mr. Messan's affidavit, and Exhibit MM-21]. It is to be noted that Ms. Adamsons' affidavit filed by the Opponent pertains to the same issue, except that the number of personal listings found by Ms. Adamsons amounts to 44 individuals. The Applicant further submits that the word DAOU means "light" in Lebanese.

[36] While I agree with the Applicant that the surname DAOU appears to be a relatively rare surname in Canada, the evidence of record does not satisfy me that such name would not necessarily be perceived by the general public as being a surname. In any event, the present opposition proceedings do not raise registrability issues pursuant to s. 12(1)(a) of the Act. More importantly, there is no doubt in my mind that the Applicant's Marks have achieved a well established, significant and enviable reputation in association with the wares and services covered by the Applicant's application Nos. 1,132,587 and 1,134,983 referred to above, as acknowledged to some extent by the Opponent itself through Mr. Daou's oral testimony, in the following passage:

Q 255. Okay. Since you arrived in Canada in October 1988, when was the first time, to your recollection, that you went to the Restaurant Daou operated by the Applicant, Restaurant Daou Inc.?

A. When was my first visit to the restaurant?

Q 256. Your first visit.

A. I don't recall. Probably not that year, probably a few years back, after I learned that there is a Lebanese food by the name of Restaurant Daou.

Q 257. Okay.

A. Probably through the Church, I don't know.

[...]

Q 260. Early 1990s, would that be fair?

A. You know, say 1992 probably is more fair.

Q 261. Okay, 1992. So, since 1992 what would be the frequency of your going to the restaurant as a customer?

A. Probably once a month.

[...]

Q 263. Once a month up to the current date?

A. Up to what current date? Today's date?

Q 264. Yes.

A. No, I haven't gone there since we...

Q 265. Started the litigation?

A. Exactly.

Q 266. Okay. I anticipated that, so...

A. Which is unfortunate.

Q 267. Yes, it is unfortunate for everybody. So, let me understand the answer; the answer to my question would be once a month until March 2002?

A. Yes, and it was a family...like, we used to go Sundays, it was more than family...

Q 268. Okay. Would it be fair to qualify Restaurant Daou as a family restaurant well-known in the Lebanese community in Montréal?

A. Yes.

[37] By contrast, while the Opponent's evidence establishes use of the trade-mark MARCHÉ DAOU & Design as of the filing date of the statements of opposition, namely February 15, 2005, I can hardly ascribe any reputation of note to the Opponent's trade-mark. No sales figures or marketing figures have been provided by Mr. Daou. Moreover, Mr. Daou's oral testimony rather supports the distinctiveness acquired by the Applicant's RESTAURANT DAOU trade-mark in association with its restaurant services over the Opponent's trade-mark, as per the following passage:

Q 636. Has it occurred when customers, to your knowledge, come and ask whether the prepared foods come from Restaurant Daou, the prepared Lebanese foods?

A. No.

Q 637. Not to your knowledge at all?

A. Not to my knowledge at all. The question would be "is this the same family", that's ...when we opened up at the beginning, a few clients asked, "Is it the same family as Restaurant Daou?" But not the food, whether it comes from Daou or not.

Q 638. Okay.

A. They ask whether it's the same family or not.

Q639. Okay. So people in the community know about Restaurant Daou Inc.?

A. And they know about Marché Daou as well, yes.

Q 640. Okay, but prior to your opening, because you opened in 2002, the people who came into the store asked whether your store was related to Restaurant Daou Inc.?

[Counsel for the Opponent]: He didn't say that. He said the family.

[Counsel for the Applicant]: The family.

Q 641. The family who runs Restaurant Daou Inc.? Is that your answer?

A. I lost you. Say that again.

Q 642. You're saying the people...when the supermarket opened initially...

A. Yes.

Q 643. ...that there were questions from customers...

A. Yes.

Q 644. ...about the relationship of your company, which operates Marché Daou, and the Restaurant Daou.

A. Whether it's the same family. Couple of clients asked me in the beginning when we opened up, yes.

Q 645. In your mind, when they asked you whether it was the same family, it's basically whether it's the same owner?

A. Yes, same family owner, yeah.

[38] In view of all of the above, and considering that the Wares and Services in the present applications are, as submitted by the Applicant and supported by Mr. Messan's affidavit:

- specialty wares and services in that they relate to Lebanese and Middle Eastern cuisine;
- a natural extension of the Applicant's long established food wares and services specializing in Lebanese and Middle Eastern cuisine associated intimately with the RESTAURANT DAOU trade-mark and the related trade-mark DAOU & Design; and

- follows natural extension following the current trend of business expansion for famous and well established restaurants to use the trade-marks intimately associated with and used in the restaurant operations to brand products used in food preparation and kitchen or cooking accessories and promotional products, and secondary or ancillary food services such as dedicated specialized cuisine and gourmet food eateries in the style of cafés, bistros and express or fast food outlets which offer sit-down and/or take-out services to customers;

I agree with the Applicant that the Opponent has failed to satisfy its initial evidentiary burden to show that its MARCHÉ DAOU & Design trade-mark had a substantial, significant or sufficient reputation in Canada so as to negate the distinctiveness of the applied-for Marks. Thus, it is not necessary for me to address the test for confusion.

Disposition

[39] In view of the foregoing and pursuant to the authority delegated to me under s. 63(3) of the Act, I reject the oppositions pursuant to s. 38(8) of the Act.

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