

**IN THE MATTER OF AN OPPOSITION
by Effem Foods Ltd. to application No. 828371
for the trade-mark VELOUTÉ DE CHOCOLAT
filed by Sonafi, Société Anonyme**

On November 8, 1996, Sonafi, Société Anonyme (“the Applicant”) filed an application for the registration of the trade-mark VELOUTÉ DE CHOCOLAT (“the Trade-Mark”) in association with chocolate-based beverages, chocolates and chocolate articles, based on filing in its country of origin (France) on December 6, 1991, under No. 1710393, and on use in France in association with chocolate-based beverages, chocolates and chocolate articles. Following preliminary objections by the Examination Division, the Applicant disclaimed the right to the exclusive use of the word “CHOCOLAT” apart from the trade-mark and the wares were clarified to read:

Chocolate-based beverages, namely: frozen chocolate beverage, hot chocolate beverage, chocolate milk, chocolate-flavoured milk shake; chocolate articles, namely; chocolates, powdered chocolate, chocolate truffles, chocolate candies, chocolate bars (“the Wares”).

Boissons à base de chocolat, nommément : boisson glacée au chocolat, boisson au chocolat à consommer chaud, lait au chocolat, lait frappé parfumé au chocolat; articles de chocolaterie, nommément : chocolats, chocolat en poudre, truffes au chocolat, bonbons au chocolat, chocolat en barres.

In his report, the examiner stated that the Trade-Mark did not appear to be registrable in view of paragraph 12(1)(b) of the *Trade-marks Act* (“the Act”). The Applicant succeeded in rebutting this argument and the examiner issued a notice of approval. The application for registration was published in the *Trade-marks Journal* on November 12, 1997.

Effem Foods Ltd. (“the Opponent”) filed a statement of opposition on April 9, 1998, based on the following grounds:

- (a) The application for registration contravenes section 30 of the Act in that the Trade-Mark cannot constitute a trade-mark because it is a descriptive expression

- that should remain available for use by other businesses in association with wares of the same general category as chocolate-based beverages and chocolate products, and should not benefit from the monopoly conferred by a trade-mark.
- (b) The application for registration contravenes paragraph 30(a) of the Act because the Applicant does not intend to use the Trade-Mark as a trade-mark.
 - (c) The application for registration contravenes paragraph 30(i) of the Act because the Applicant could not, on the filing date of the application for registration or at any subsequent time, be satisfied that it was entitled to use the trade-mark in Canada in association with the wares or services described in the application, by reason of the descriptive character of the Trade-Mark or the false and deceptive description of the Wares that it provides.
 - (d) The Trade-Mark is not registrable by reason of paragraphs 38(2)(b) and 12(1)(b) of the Act because the Trade-Mark is clearly descriptive, or deceptively misdescriptive, in the French language, of the character or quality of the Wares.
 - (e) The Applicant is not entitled to the registration of the Trade-Mark in view of paragraph 38(2)(d) of the Act because the Trade-Mark is not distinctive since it neither distinguishes, nor is it adapted to distinguish, the Applicant's wares from those of other businesses in the same field, i.e. the sale of chocolate-based beverages or chocolate products.

The Opponent adds that the Trade-Mark consists of two terms (“VELOUTÉ DE” and CHOCOLAT”) that are non-distinctive when used in association with the Wares. The Opponent submits that the Applicant admitted to the descriptive nature of the word CHOCOLAT when it disclaimed the exclusive use thereof. The Opponent refers to the definition of the word VELOUTÉ in the *Petit Larousse illustré* (1991) quoted by the examiner in his examination report: “*Qualité de ce qui est agréable au toucher, au goût, eg. le velouté d'un fruit, d'une crème.*” [That which is agreeable to the touch or taste, e.g. the smoothness of a fruit or a cream.]

The Opponent submits that the Trade-Mark is no more than a clear description or deceptive misdescription of the character or quality of the Wares, i.e. “that which is agreeable to the taste.”

On June 17, 1998, the Applicant filed a counter-statement essentially denying all the grounds of opposition set out above. The Opponent filed the affidavit of Robert Banack and the Applicant filed the affidavit of Christian Danis. The Applicant was the only party to make written submissions and to attend the hearing of this opposition.

Mr. Banack is a student employed by the agents’ firm that represents the Opponent. He began by consulting three dictionaries:

- *Le petit Robert*
- *Le dictionnaire du français plus*
- *Le petit Larousse illustré*

Exhibit A to his affidavit consists of the relevant pages containing the definition of the word VELOUTÉ. Mr. Banack also searched the Internet, and Exhibits D, E and F to his affidavit are excerpts from Web pages with recipes containing the terms “VELOUTÉ” or “CHOCOLATE VELOUTE.” The most relevant search result was the “Shop-the-Mall” website, which contains a reference to “CHOCOLATE VELOUTE” denoting a mixture of chocolate and cocoa butter.

Mr. Danis is a student employed by the agents’ firm that represents the Applicant. He consulted the following dictionaries:

- Dictionnaire encyclopédique Quillet-Grolier*
- dictionnaire de la langue française*
- Grand Larousse universel*

Mr. Danis tendered the relevant excerpts from each of these dictionaries, i.e. the definitions of the word VELOUTÉ.

The material date for assessing grounds of opposition depends on the specific ground involved. The material date for assessing grounds of opposition based on section 30 of the Act is the filing date of the application (November 8, 1996). [See *Dic Dac Holdings (Canada) Ltd v. Yao Tsai Co. (1999)*, 1 C.P.R. (4th) 263.] If the Opponent's ground is based on paragraph 12(1)(b) of the Act, there is some controversy as to the material date for assessing it. Prior to *Fiesta Barbeques Limited v. General Housewares Corporation*, (2004) 28 C.P.R. (4th) 60, the material date was the date of the decision. [See *Lubrication Engineers, Inc. v. Canadian Council Of Professional Engineers*, (1992) 41 C.P.R. (3d) 243.] In *Fiesta*, Mr. Justice Russell provided an exhaustive analysis of the case law on the subject and held that the material date is actually the date of the application for registration. In any event, this difference between the material dates will have no impact on the outcome of the instant matter. Lastly, it is generally recognized that the filing date of the opposition (April 9, 1998) is the material date for assessing a ground of opposition alleging that the Trade-Mark lacks distinctiveness. [See *Andres Wines Ltd. and E&J Gallo Winery (1975)*, 25 C.P.R. (2d) 126 (F.C.A.) at 130 and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd., supra*.]

The principal question in this matter is whether the Trade-Mark is clearly descriptive or deceptively misdescriptive of the character or quality of the Wares. This question must be considered from the standpoint of an average consumer. Given the evidence each party has adduced, it is clear that the result does not turn on which of the different material dates mentioned above is applicable.

In proceedings to oppose the registration of a trade-mark, the Opponent must adduce enough evidence concerning his grounds of opposition to show clearly that there are facts supporting those grounds. If this is accomplished, the burden of proof shifts to the Applicant, who must satisfy the Registrar that the grounds of opposition should not prevent his trade-mark from being registered. [See *Sunshine Biscuits Inc. v. Corporate Foods Ltd. (1982)*, 61 C.P.R.(2d) 53, *Joseph Seagram & Sons Ltd. v. Seagram Real*

Estate Ltd. (1984), 3 C.P.R. (3d) 325 and *John Labatt Ltd. v. Molson Companies Limited, (1990), 30 C.P.R. (3d) 293.*]

There is no evidence in the record to support the second ground of opposition set out above. I therefore dismiss it.

However, the evidence adduced by the Opponent is sufficient to shift the burden of proof to the Applicant with regard to the other grounds of opposition. The Opponent must therefore satisfy the Registrar, on a balance of probabilities, that the trade-mark is registrable. [See *Christian Dior, S.A. v. Dion Neckwear Ltd., [2002] 3 F.C. 405.*]

The case law regarding paragraph 12(1)(b) of the Act is plentiful. It will be sufficient for me to cite only those cases that appear to be on point. In *Thomas J. Lipton Ltd. v. Salada Foods Ltd (No. 3) (1979), 45 C.P.R. (2d) 157*, Addy J. stated:

Connotation means an implication or a suggestion. Even a “specific descriptive suggestion or implication” or “a clear implication or suggestion” that a mark is descriptive or misdescriptive is not sufficient to disqualify it for registration under s-s. 12(1)(b). That enactment admits of no mere implication or suggestion. Parliament used the word “clearly” before the word “descriptive” and “deceptively” before the word “misdescriptive” and the Registrar has made no finding that the word was either clearly descriptive or deceptively misdescriptive. As to whether a mere suggestive description suffices, one might refer to a decision of the former Exchequer Court of Canada in the case of *Kellogg Co. of Canada Ltd. v. Registrar of Trade Marks*, [1939] 3 D.L.R. 65, [1940] Ex. C.R. 163 at pp. 170 and 171.

The concept of clearness where the word is descriptive and of deception where it is misdescriptive are essential elements.

Later on, Cattanaich J. stated as follows in *Oshawa Group Ltd. v. Registrar of Trade-Marks (1980), 46 C.P.R. (2d) 145*:

I accept without question the submission of counsel for the appellant that the decision that a trade mark is clearly descriptive is one of first impression from which it follows that it is not the proper approach to critically analyse the words of the mark but rather to ascertain the

immediate impression created by the mark in association with the services proffered.

I also accept the premise of counsel for the respondent that a mark must first be found to be descriptive before it can be found to be misdescriptive: see *Bonus Foods Ltd. v. Essex Packers Ltd.* (1964), 43 C.P.R. 165 at p. 178, 49 D.L.R. (2d) 320, [1965] 1 Ex. C.R. 735 at p. 749.” (Emphasis added.)

He also held as follows in *G.W.G. v. Registrar of Trade-Marks (1981)*, 55 C.P.R. (2d) 1:

It has been repeatedly stated based on the authority of numerous decided cases:

(1) that whether a trade mark is clearly descriptive is one of first impression;

(2) that the word “clearly” in para. 12(1)(b) of the Act is not a tautological use but it signifies a degree and is not synonymous with “accurate” but means in the context of the paragraph “easy to understand, self-evident or plain”, and

(3) that it is not a proper approach to the determination of whether a trade mark is descriptive to carefully and critically [page3] analyse the words to ascertain if they have alternate implications or alternate implications when used in association with certain wares and to ascertain what those words in the context in which they are used would represent to the public at large who will see those words and will form an opinion as to what those words will connote: see *John Labatt Ltd. v. Carling Breweries Ltd.* (1974), 18 C.P.R. (2d) 15 at p. 19.

Lastly, Nadon J. came to the following conclusion in *Dairy Farmers of Canada v. Hunt-Wesson, Inc.*, T-756-99:

In light of these principles, the Appellants have not satisfied me that the Registrar’s conclusion is erroneous. I am of the view that his decision was reasonable primarily because, as he pointed out, the trade mark must be considered as a whole and in this case, the trade mark is not simply “goût de beurre” but “goût de beurre comme au cinéma.” His decision is based on the premise that most consumers would not expect the product to contain butter or a significant amount thereof. . . .

Moreover, taken as a whole, the only thing the product presumes to reflect is not butter itself, but the taste of butter one gets at the movie theatres. It is important to emphasize that the trade mark is not solely “Goût du

Beurre” but “Goût du Beurre Comme au Cinéma.” In this respect, I agree with the following observation made by the Registrar:

In the instant case, I conclude that the applied for mark, considered in its entirety, has too imprecise a meaning to be clearly descriptive or deceptively misdescriptive of popcorn; rather, the mark as a whole merely suggests that the applicant’s wares have some type of butter flavour and consumers would not be misled into thinking that dairy butter is a component of the wares.

[21] Further, I wish to point out that the Registrar did engage in quite a thorough analysis of the trade mark and as to how the word “butter” has been used in other products before arriving at his conclusion. In my view, the Registrar’s analysis is entirely reasonable on the evidence and I see no basis on which to reverse his decision. (Emphasis added.)

Based on these principles, I must determine whether the Trade-Mark is clearly descriptive or deceptively misdescriptive, in the French language, of the character or quality of the Wares within the meaning of paragraph 12(1)(b) of the Act.

The evidence submitted by the parties, especially the definitions from the French dictionaries, permits me to conclude that the word VELOUTÉ has several meanings in the French language, namely:

- a) Nom masculin. Potage de légumes, de viande ou de poisson;
- b) Nom masculin. Sauce blanche à base d’un fond de veau ou de volaille entrant dans la préparation de diverses sauces;
- c) Adjectif. Ce qui a l’aspect du velours;
- d) Adjectif. Doux au goût ou au toucher.

[TRANSLATION]

- (a) *masc. n.* A vegetable, meat or fish soup;
- (b) *masc. n.* A veal or poultry-based white sauce used in preparing various sauces;
- (c) *adj.* Velvety in appearance; and
- (d) *adj.* Soft to the taste or touch.

Thus, the Trade-Mark, taken as a whole and as a matter of first impression, cannot be considered clearly descriptive or deceptively misdescriptive of the character or quality of the Wares. Indeed, the word VELOUTÉ has several meanings. At most, the Trade-Mark could be considered suggestive of the texture of the Wares: a creamy texture or a velvety appearance. As was held in *Dairy Farmers, supra*, I conclude that the Trade-Mark, “considered in its entirety, has too imprecise a meaning to be clearly descriptive or deceptively misdescriptive of the Wares.”

In its statement of opposition, the Opponent submits that when the Applicant disclaimed the exclusive right to use the word CHOCOLAT, it admitted that the word is descriptive. Even if the exclusive use of a constituent element of a trade-mark is disclaimed, the trade-mark is registrable where, as here, it meets the requirements of registrability when considered in its entirety. [See *Molson Companies Ltd. v. John Labatt Ltd. (1981)*, 58 C.P.R. (2d) 157.]

I therefore dismiss grounds of opposition (a), (c) and (d) set out above.

It remains to be determined whether the Trade-Mark is distinctive, i.e. whether it distinguishes the Wares from wares of others in the same trade. As mentioned, the evidence discloses that the expression “CHOCOLATE VELOUTE” is being used on the Web page of a company that has a place of business in Coral Springs, Florida (USA), to describe a mixture of chocolate and cocoa butter. But there is no evidence that other businesses have used this phrase in Canada prior to April 8, 1998, which is the date the opposition was filed, nor is there evidence that it has been made known in Canada within the meaning of section 5 of the Act. For these reasons, I also dismiss ground of opposition (e) set out above.

Thus, the Applicant has discharged its burden to prove that the Trade-Mark is registrable in association with the wares.

By virtue of the powers delegated to me by the Registrar of Trade-Marks under subsection 63(3) of the Act, I dismiss the Opponent's opposition in accordance with subsection 38(8) of the Act.

DATED AT MONTRÉAL, QUEBEC, JANUARY 22, 2004

Jean Carrière

Member

Trade Marks Opposition Board