

IN THE MATTER OF AN OPPOSITION
by 863961 Ontario Limited, c.o.b. as
Honey-Bee Ham Co., to application
No. 611,992 for the mark HONEY BEE
filed by Kretschmar Inc.

On July 27, 1988, the applicant, Kretschmar Inc., filed an application to register the mark HONEY BEE for use in association with "processed meats including smoked ham made with pure honey" based on intended use of the mark in Canada. The application was subsequently amended, in response to an objection at the examination stage, to disclaim the right to the exclusive use of the word HONEY apart from the mark.

The subject application was advertised for opposition purposes on May 17, 1989. The opponent, 863961 Ontario Limited, c.o.b. as Honey-Bee Ham Co., filed a statement of opposition on June 5, 1989, a copy of which was forwarded to the applicant on June 22, 1989. The applicant filed and served its counter statement on July 17, 1989. The parties subsequently requested, and were granted leave, to file amended pleadings.

The grounds of opposition are that the applicant is not the person entitled to registration because, at the date of filing the application namely, July 27, 1988, the applied for mark was confusing with the opponent's trade-marks namely, HONEY-BEE, HONEY BEE HAM CO., and HONEY-BEE DESIGN, and also confusing with the opponent's trade name HONEY-BEE HAM CO., previously used by the opponent (and its predecessor in title namely, Honey-Bee Ham Co. Inc.) in association with meats including ham made with honey. The opponent also alleges that the applied for mark is not distinctive of the applicant's wares in view of the above.

The opponent's evidence consists of the affidavit of Kevin Brode, General Manager of the opponent company. The applicant's evidence consists of the affidavit of Alex Boyd, Marketing Manager of the applicant company. The opponent did not file evidence in

reply, and there were no cross-examinations on the evidence filed. Both parties filed written arguments and both parties were represented at an oral hearing.

Mr. Brode's evidence is that he commenced business as a sole proprietor in 1983 under the name Honey-Bee Ham Co.. On November 5, 1986, Mr. Brode incorporated Honey-Bee Ham Co. Inc., an Ontario Corporation, of which he was an officer and director. At that time, "all rights in the HONEY-BEE HAM CO. trade-mark, trade name and associated goodwill were transferred" from the sole proprietorship to the new company: see paragraph 3 of Mr. Brode's affidavit.

Mr. Brode asserts that the opponent 863961 Ontario Limited is an assignee of the mark HONEY-BEE, and points to a "general assignment" dated May 10, 1989 (exhibit C-1 to his affidavit) from Honey-Bee Ham Co. Inc., and to a confirmatory assignment defectively dated "this 10th day of May, 198 " (the last numeral in the year is missing).

The applicant's position is that the opponent has failed to establish that it is in fact the owner of the mark HONEY-BEE because (i) the "general assignment" document referred to above does not transfer trade-mark rights, and because (ii) the confirmatory assignment is defectively dated and therefore should be disregarded. It is patent from reading the "general assignment" that the document in its terms does not transfer any trade-mark rights. The ineffectiveness of the "general assignment" document, together with the defect in the confirmatory assignment, is sufficient to at least put into issue whether the opponent is in fact the owner of the mark HONEY-BEE. The onus is therefore on the opponent to establish that it is the owner of the mark HONEY-BEE by way of assignment from Honey-Bee Ham Co. Inc. In this context, the presence of an onus means that if a determinate conclusion cannot be reached after all the evidence has been considered, then the

issue must be decided against the opponent.

I agree with counsel for the applicant that Mr. Brode's affidavit is remarkable for what it does not say with respect to the circumstances surrounding the transfer of the mark HONEY-BEE to the opponent, and also for what it does not say with respect to describing the opponent's business activities. I also agree with counsel for the applicant that Mr. Brode's evidence is lacking in precision and clarity. Nevertheless, for the reasons that are discussed below, I have found that the deficiencies in the opponent's evidence are not, by themselves, sufficient for me to disbelieve Mr. Brode's testimony that the opponent is in fact successor in title to the mark HONEY-BEE by way of assignment on May 10, 1989. Firstly, in my view nothing turns on whether the "general assignment" document referred to above effectively transfers trade-mark rights. In the context of Mr. Brode's affidavit taken as a whole, I find that the "general assignment" document is relied on (albeit mistakenly) to corroborate a transfer of rights rather than to provide independent evidence of a transfer of rights. Secondly, the confirmatory assignment document (leaving aside the possible consequences of the incomplete date of execution) stands on its own with respect to corroborating an assignment of trade-mark rights in the sense that there is no reference to the "general assignment" anywhere in the confirmatory assignment document. I have also kept in mind that rights in trade-marks may be assigned without writing. On a fair reading of Mr. Brode's affidavit taken as a whole, and without the benefit of cross-examination to cast doubt on Mr. Brode's credibility, I am prepared to find that the mark HONEY-BEE was assigned to the opponent as indicated by Mr. Brode. This is not to say that the opponent has made out a convincing case. It hasn't. Rather, the balance of probabilities only just tips in the opponent's favour to prevent me from reaching an indeterminate conclusion. It is in this context that I have made the finding that the opponent became successor in title to the mark HONEY-BEE on May 10, 1986.

The opponent and its predecessors in title have sold smoked ham made with honey since 1983 under its mark HONEY-BEE and trade name Honey-Bee Ham Co.. Sales typically exceed \$300,000 per year. The opponent's mark and trade name are prominently displayed on the opponent's packaging for ham (see Exhibit D to Mr. Brode's affidavit) and there is some evidence of advertising under the opponent's mark and trade name. While Mr. Brode's evidence offers few details regarding sales of the opponent's ham product under the mark HONEY-BEE, nevertheless his unchallenged and uncontradicted evidence is sufficient to support the ground of opposition that the applicant is not entitled to registration. That is, Mr. Brode's evidence satisfies the statutory requirements set out in Sections 16 and 17(1) of the Trade-marks Act to establish use of the opponent's mark HONEY-BEE prior to the date of filing of the applicant's application (July 27, 1988) and to establish non-abandonment of the opponent's mark HONEY-BEE as of the date of advertisement of the applicant's application (May 17, 1989).

Mr. Boyd's evidence, filed on behalf of the applicant, is that the applicant has been selling smoked ham made with honey under the mark HONEY BEE since 1988. Sales under the mark were about \$27,000 from September, 1988 to August, 1990. It appears from Exhibit A to Mr. Boyd's affidavit that the applicant has to date employed the mark HONEY BEE as a subsidiary mark to its main mark KRETSCHMAR. The jurat in Mr. Boyd's affidavit is incomplete in that it is silent as to the place where the affidavit was sworn. However, a notarial seal imprinted on the affidavit indicates that it was sworn before a notary public of Ontario, and in the absence of objections from the opponent regarding the deficiencies in the jurat, I am assuming that Mr. Boyd's affidavit was duly sworn in Ontario.

The applicant is not entitled to register the mark HONEY BEE if at the date of filing the application it was confusing with the opponent's mark HONEY-BEE: see subsection 16(3) (a) of the Act.

The legal burden is on the applicant to show that there would be no reasonable likelihood of confusion, within the meaning of Section 6(2), between the applied for mark and the opponent's mark. In determining whether there would be a reasonable likelihood of confusion, I am to have regard to all the surrounding circumstances, including those enumerated in Section 6(5). In this context the presence of a legal burden on the applicant means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue of confusion must be decided against the applicant: see John Labatt Ltd. v. Molson Companies Ltd. (1990), 30 C.P.R.(3d) 293 at pp. 297-300 (F.C.T.D.).

The parties' marks do not possess high degrees of inherent distinctiveness since they are suggestive, in the context of meat products, of meat to which honey has been added, or of meat that tastes sweet. The applied for mark would not have been known to any extent at the material time while the opponent's mark would have been known at least to some extent as a consequence of sales since 1983.

The length of time that the marks in issue have been in use favours the opponent, its use dating back to 1983. The nature of the parties' wares are the same and in the absence of evidence to the contrary I assume that the parties' wares would travel through the same channels of trade. The marks in issue are almost identical visually, and are the same aurally and in the ideas suggested by them.

Considering the above, and keeping in mind that the test for confusion is one of first impression and imperfect recollection, I find that the applied for mark is confusing with the opponent's mark. As the opponent has succeeded on its ground of opposition alleging non-entitlement based on use of its mark HONEY-BEE, it is not necessary to consider the remaining grounds of opposition.

In view of the above, the applicant's application is refused.

I would also mention that even if the applicant is correct in arguing that the evidence is insufficient to establish that the opponent received an assignment of the mark HONEY-BEE from Honey-Bee Ham Co. Inc., then the opponent would still likely have succeeded on the ground of opposition that the applied for mark was not distinctive of the applicant's wares (at the material date June 5, 1989) in view of prior use of the mark HONEY-BEE by Honey-Bee Ham Co. Inc. and by the opponent.

DATED AT HULL, QUEBEC, THIS 31st DAY OF May, 1994.

Myer Herzig,
Member,
Trade-marks Opposition Board