

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

Citation: 2012 TMOB 45 Date of Decision: 2012-02-27

IN THE MATTER OF AN OPPOSITION by Ferrero S.p.A. to application No. 1353327 for the trade-mark NUTINO in the name of Cantarella Bros Pty Limited

[1] On June 26, 2007, Cantarella Bros Pty Limited (the Applicant), filed an application for the trade-mark NUTINO (the Mark) based upon proposed use of the Mark by the Applicant or through a licensee in Canada. The statement of wares/services currently reads:

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products and dairy products; edible oils and fats; spreads, pastes and creams made from dairy, fruit, vegetables, edible oils or any combination of these; coffee, coffee extracts, artificial coffee and coffee substitutes; chocolate, chocolate extracts, chocolate substitutes, non-alcoholic chocolate beverages; non-alcoholic drinking chocolate; cocoa, cocoa beverages and preparations having a base of cocoa namely pre-mixed baking powders for biscuits, cookies, buns, cakes, muffins, bread, pancakes, powdered beverage mixes, custards and custard mixes, puddings and pudding mixes, snack foods; tea, sugar, rice, tapioca, sago; flour, cereals namely breakfast cereals, processed cereals and unprocessed cereals, snack foods, namely cereal based, corn based, fruit based, granola based, rice based, wheat based snack foods; bread; pastry; tarts, confectionery; ices and ice cream; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces made from chocolate, cocoa, nuts, honey or any combination of these; spices; spreads, pastes and creams made from chocolate, cocoa, nuts, honey or any combination of these.

[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of October 15, 2008.

- [3] On November 24, 2008, Ferrero S.p.A. (the Opponent) filed a statement of opposition against the application. The grounds of opposition are that the Applicant's application does not conform to the requirements of s. 30(i) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act), the Mark is not registrable pursuant to s. 12(1)(d), the Applicant is not the person entitled to registration of the Mark pursuant to s. 16(3)(a), the Applicant is not the person entitled to registration of the Mark pursuant to s.16(3)(b) and the Mark is not distinctive. Each of these grounds is based on confusion with the Opponent's use and registration of its NUTELLA, NUTELLA and Design and/or NUTELLA & GO trade-marks (registration Nos. TMA157,098; TMA312,429 and application No. 1,324,421).
- [4] The Applicant filed and served a counter statement, in which it denied the Opponent's allegations.
- [5] The Opponent's evidence consists of the affidavit of Allan B. Cosman. The Applicant's evidence consists of the affidavit of Maureen Cho. While the Applicant had also filed the affidavit of Daniel Benjamin Abrahams, this affidavit has been struck from the record pursuant to r. 44(5) of the *Trade-mark Regulations* because of Mr. Abrahams' failure to attend for cross-examination in Canada. Only Ms. Cho was cross-examined and a copy of her cross-examination transcript forms part of the record.
- [6] Both the Applicant and the Opponent filed a written argument. An oral hearing was conducted at which both parties were represented.

Onus and Material Dates

- [7] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. There is however an initial 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.) at 298; *Dion Neckwear Ltd. v. Christian Dior, S.A. et al.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)].
- [8] The material dates that apply to the grounds of opposition are as follows:

- s. 38(2)(a)/s. 30 the filing date of the application [see *Georgia-Pacific Corp. v. Scott Paper Ltd.* (1984), 3 C.P.R. (3d) 469 (T.M.O.B.) at 475];
- s. 38(2)(b)/s. 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)/s. 16(3) the filing date of the application [see s. 16(3)];
- s. 38(2)(d)/non-distinctiveness the date of filing of the opposition [see *Metro-Goldwyn-Mayer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.)].

Preliminary Issues

The Cho affidavit

- [9] Ms. Cho identifies herself as an office assistant of the agents of the Applicant. Her affidavit includes copies of various website pages from the search results for trade-marks that include the component NUT for wares related to those at issue that were included in the Abrahams affidavit.
- [10] As argued by the Opponent, there are some admissibility issues with respect to Ms. Cho's affidavit. First, the Opponent has pointed out that the concerns raised by the Federal Court of Appeal in *Cross-Canada Auto Body Supply (Windsor) Ltd. v. Hyundai Auto Canada* (2006), 53 C.P.R. (4th) 286 (F.C.A.); affg. (2005), 43 C.P.R. 43 C.P.R. (4th) 21 (F.C.T.D.), apply here because the Applicant's sole evidence has been presented through the agent representing it in this proceeding. I am therefore according reduced weight to Ms. Cho's evidence due to the potential lack of objectivity and the fact that the majority of her evidence relates to contentious issues. Second, the Opponent has pointed out that there are hearsay issues with respect to the information that Ms. Cho obtained from the websites. Ms. Cho had no personal knowledge about the content of any of these websites. Further, it has previously been held that exhibits extracted from the Internet can only be relied upon as proof of the existence of the websites, not as proof of the truth of their contents [*Envirodrive Inc. v. 836442 Canada Inc.* 2005 ABQB 446; ITV *Technologies Inc. v. WIC Television Ltd.* 2003 FC 1056].

- [11] At the oral hearing, it was argued that the Opponent's application No. 1,324,421 for the trade-mark NUTELLA & GO be considered under the s. 12(1)(d) ground because it had matured to registration since the filing date of the statement of opposition. The Opponent further requested that I exercise my discretion to confirm the existence of this registration.
- [12] The second preliminary issue that needs to be addressed therefore has two components:
 - 1. Can a mark that was pending at the time of filing the statement of opposition that has now matured to registration be considered under the Opponent's s. 12(1)(d) ground as pleaded?
 - 2. If so, can I exercise my discretion to confirm the existence of this registration?
- [13] The s. 38(2)(b)/s. 12(1)(d) ground is pleaded as follows:

The Trade-mark is not registrable. It is confusing with the Opponent's registered and applied for trade-marks discussed above at paragraphs 5 and 6.

[14] Arguably, the Opponent's application No. 1,324,421 has been pleaded under the s. 12(1)(d) ground because it was referred to in the statement of opposition under the s. 12(1)(d) ground. However, in my view it cannot be considered under the Opponent's s. 12(1)(d) ground as pleaded because only registered marks can form the basis of an allegation that the Mark is not registrable pursuant to s. 12(1)(d). Since the pending application was not able to form the basis of an allegation that the Applicant's trade-mark is not registrable pursuant to s. 12(1)(d) at the time of filing the statement of opposition, it was not properly pleaded at that time. Had the Opponent wanted this registration to be considered under its s. 12(1)(d) ground, it should have requested leave to file an amended statement of opposition. The Opponent's NUTELLA & GO mark will therefore not be considered under the s. 12(1)(d) ground. I would like to add that even if it could be considered, I would not have found that the Registrar's discretion would extend to considering applications under the s. 12(1)(d) ground that were pending at the filing date of the opposition and have since matured to registration as I find that it would be unfair to the Applicant to do so.

Section 12(1)(d) Ground of Opposition

- [15] The s. 12(1)(d) ground of opposition turns on the issue of the likelihood of confusion between the Mark and the Opponent's NUTELLA and NUTELLA and Design marks.
- [16] I note that the Opponent's initial burden with respect to the s. 12(1)(d) ground has been satisfied because both registration Nos. TMA157,098 and TMA312,429 are in good standing.

test for confusion

- [17] 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. 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 or trade-names 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 or trade-names 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.) and *Masterpiece Inc. v. Alavida Lifestyles Inc.* (2011), 92 C.P.R. (4th) 361 (S.C.C.).]
- [18] In *Masterpiece*, the Supreme Court stated that the degree of resemblance between the marks is often likely to have the greatest effect on the confusion analysis [see also *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstery Ltd.* (1980), 47 C.P.R. (2d) 145 (F.C.T.D.) at 149, affirmed 60 C.P.R. (2d) 70] and it chose to begin its confusion analysis by considering that factor. I will do the same.
- s. 6(5)(e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

- [19] The marks in issue resemble each other to a fair degree in appearance and sound because both parties' marks are three syllable Italian sounding words that begin with the component NUT. Neither parties' mark suggests any idea in particular.
- s. 6(5)(a) inherent distinctiveness of the trade-marks and the extent to which each trade-mark has become known
- [20] I consider both parties' marks to possess the same degree of inherent distinctiveness because they are coined words, although the component NUT in each is suggestive of at least some of the wares at issue.
- [21] The strength of a trade-mark may be increased by means of it becoming known through promotion or use. Mr. Cosman identifies himself as the President and C.E.O. of Ferrero Canada Limited. He explains that Ferrero Canada Limited is a wholly owned subsidiary of the Opponent. Ferrero Canada Limited and the Opponent are both ultimately controlled by Ferrero International S.A. He refers to these three companies as the Ferrero Group.
- [22] The affidavit of Mr. Cosman, provides the following information about the extent to which the Opponent's marks have become known in Canada:
 - the NUTELLA trade-marks have been used with the NUTELLA product in Canada for over 30 years;
 - gross annual sales in Canada for the NUTELLA product have been between \$12 million in 1994/95 to over \$44 million in 2007/2008;
 - total annual advertising and marketing expenditures (for national television campaigns, cross promotions, special event promotions, special programs and Internet advertising) relating to the NUTELLA product have ranged been \$600,000 and \$5 million dollars between 1994/95 and 2007/2008;
 - a brand awareness study conducted by Millward Brown in October 2008 revealed that
 98% of respondents across Canada were aware of the NUTELLA brand.

- [23] In my view, the evidence of Mr. Cosman is sufficient to show that the Opponent's marks have become known to a very significant extent in Canada.
- [24] On the other hand, the Applicant's mark is based on proposed use and the Applicant has not provided any evidence of use of its mark since its filing date.
- [25] Based on the foregoing information, I conclude that this factor favours the Opponent.
- s. 6(5)(b) the length of time each trade-mark has been in use
- [26] The length of time that each mark has been in use favours the Opponent.
- s. 6(5)(c) and (d) the nature of the wares, services or business; the nature of the trade
- [27] 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 *Henkel Kommanditgesellschaft auf Aktien v. Super Dragon Import Export Inc.* (1986), 12 C.P.R. (3d) 110 (F.C.A.); *Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe Inc. v. Bohna* (1994), 58 C.P.R. (3d) 381 (F.C.A.)].
- [28] The Opponent's NUTELLA word mark is registered for a spread cream containing cocoa and other ingredients. Its NUTELLA and Design mark is registered for a hazelnut chocolate spread.
- [29] The Applicant's spreads, pastes and creams made from chocolate, cocoa, nuts, honey or any combination of these are almost identical to the Opponent's wares. The other applied for wares are somewhat related to the Opponent's wares because they are all food products, although I note that many of these wares are very different from the Opponent's wares.
- [30] There is also an overlap in the trades of the parties since the wares can all be sold through grocery stores. However, wares which may be said to belong to the same general class may also be intrinsically different and as such sold in different sections of the same grocery store [Oshawa Holdings Ltd. v. Fjord Pacific Marine Industries Ltd. (1981), 55 C.P.R. (2d) 39 at 44 (F.C.A.); Clorox Co. v. Sears Canada Inc. (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) at 490]. In the

present case, I think it is reasonable to assume that the following wares of the Applicant would not likely be sold in the same sections of such stores as the Opponent's wares:

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; eggs, milk and milk products and dairy products; edible oils and fats; coffee, coffee extracts, artificial coffee and coffee substitutes; tea, sugar, rice, tapioca, sago; flour; yeast, baking powder, salt, mustard, vinegar; spices.

further surrounding circumstances

- [31] As its state of the marketplace evidence, the Applicant relies on the affidavit of Ms. Cho. As noted above, the affidavit of Ms. Cho includes copies of various website pages from the search results that were included in the Abrahams affidavit. The trade-marks for which excerpts from their respective websites were downloaded by Ms. Cho include the following:
 - NUT 'N BUDDER in association with a peanut butter product;
 - NUT 'N BETTER in association with a peanut butter product;
 - NUTCRACKER SWEET in association with a gift basket including jam and other products
 - NUTKAO in association with various spreads, including a hazelnut spread;
 - NONUTS in association with a peabutter product;
 - TOTALLY NUTFREE and FREENUT BUTTER in association with a soy butter
- [32] Even if I disregarded the hearsay issues with respect to this evidence, it would still be of no assistance to the Applicant because there is no evidence that any Canadians ever viewed these websites or that any of these products have been purchased by Canadians. The Applicant's state of the marketplace evidence falls short of what is required to show common adoption and use of similar marks by third parties. As Ms. Cho's evidence is insufficient to show that Canadians are used to distinguishing between NUT prefixed marks in the marketplace, her evidence is not a significant surrounding circumstance in the present case.

conclusion re likelihood of confusion

[33] Having considered all of the surrounding circumstances, I conclude that the s. 12(1)(d) ground of opposition succeeds with respect to the following wares:

jellies, jams, compotes; spreads, pastes and creams made from dairy, fruit, vegetables, edible oils or any combination of these; chocolate, chocolate extracts, chocolate substitutes, non-alcoholic chocolate beverages; non-alcoholic drinking chocolate; cocoa, cocoa beverages and preparations having a base of cocoa namely pre-mixed baking powders for biscuits, cookies, buns, cakes, muffins, bread, pancakes, powdered beverage mixes, custards and custard mixes, puddings and pudding mixes, snack foods, cereals namely breakfast cereals, processed cereals and unprocessed cereals, snack foods, namely cereal based, corn based, fruit based, granola based, rice based, wheat based snack foods; bread; pastry; tarts, confectionery; ices and ice cream; honey, treacle; sauces made from chocolate, cocoa, nuts, honey or any combination of these.

- These wares overlap the most with those covered by the Opponent's NUTELLA registrations, and, despite the differences in the marks, the Applicant has not satisfied me that there is not a reasonable likelihood of confusion given the extensive reputation of the Opponent's NUTELLA marks in association with a hazelnut chocolate spread. In reaching this decision, I have considered that the test of confusion is whether the average Canadian with an imperfect recollection of the Opponent's marks would be likely to conclude that the NUTINO wares share the same source as the NUTELLA wares. I have concluded that they would.
- [35] Concerning the remaining wares, however, I find that they are sufficiently removed from those of the Opponent that the differences in the marks would suffice to make confusion unlikely.

Section 30(i) Ground of Opposition

[36] Regarding the s. 30(i) ground I note that the Applicant has made the requisite statement and there is no evidence that it did so in bad faith [see *Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155].

- [37] Further, in the absence of any evidence or submissions regarding the ability of s. 7(b) or s. 22 to form the basis of an allegation of non-compliance with s. 30(i), the Opponent has not met its evidential burden with respect to this ground.
- [38] I am therefore dismissing this ground of opposition.

Remaining Grounds of Opposition

- [39] The remaining grounds of opposition also turn on a determination of the issue of the likelihood of confusion between the Mark and the Opponent's marks. The material dates for assessing the likelihood of confusion in respect of the non-entitlement and non-distinctiveness grounds are, respectively, the Applicant's filing date and the date of opposition.
- [40] As noted above, the Opponent's NUTELLA & GO trade-mark (application No. 1,324,421) is also included under these grounds of opposition. While the Opponent's NUTELLA & GO mark, at both of the relevant dates, had been applied for in association with a much wider variety of wares then both of its other NUTELLA registrations, the Opponent has not shown any evidence of use or reputation for its NUTELLA & GO mark in association with such wares. Further, I consider the Opponent's NUTELLA & GO mark to be even more different in appearance and sound than the Mark. I therefore do not consider there to be any likelihood of confusion between this mark and the Mark.
- [41] With respect to the Opponent's NUTELLA and NUTELLA and Design marks, in my view, the differences in material dates do not have any significant impact on the determination of the issue of confusion between these marks and the Applicant's mark. Thus, for similar reasons, the s. 16(3) and s. 38(2)(d) grounds of opposition succeed with respect to the same wares as those under the s. 12(1)(d) ground.

Disposition

[42] For the reasons set out above, pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application with respect to the following wares:

jellies, jams, compotes; spreads, pastes and creams made from dairy, fruit, vegetables, edible oils or any combination of these; chocolate, chocolate extracts, chocolate substitutes, non-alcoholic chocolate beverages; non-alcoholic drinking chocolate; cocoa, cocoa beverages and preparations having a base of cocoa namely pre-mixed baking powders for biscuits, cookies, buns, cakes, muffins, bread, pancakes, powdered beverage mixes, custards and custard mixes, puddings and pudding mixes, snack foods, cereals namely breakfast cereals, processed cereals and unprocessed cereals, snack foods, namely cereal based, corn based, fruit based, granola based, rice based, wheat based snack foods; bread; pastry; tarts, confectionery; ices and ice cream; honey, treacle; sauces made from chocolate, cocoa, nuts, honey or any combination of these; spreads, pastes and creams made from chocolate, cocoa, nuts, honey or any combination of these.

[43] I reject the opposition with respect to the remainder of the wares pursuant to s. 38(8) of the Act [see *Coronet-Werke Heinrich Schlerf GmbH v. Produits Menagers Coronet Inc.* (1986), 10 C.P.R. (3d) 482 (F.C.T.D.) as authority for a split decision].

Cindy R. Folz Member, Trade-marks Opposition Board Canadian Intellectual Property Office