IN THE MATTER OF AN OPPOSITION by Minix Inc. to Application No. 1182631 for the Trade-mark SALMONQUEST filed by Redouane Fakir

I The Pleadings

On July 9, 2003, Redouane Fakir (the "Applicant") filed an application to register the trade-mark SALMONQUEST (the "Mark"), application number 1182631, subsequently amended to cover (1) fish products, namely whole salmon and smoked salmon; (2) fish steaks and fillets; canned fish; fish sauces; fish seasonings, cooking equipment, namely fillet knives, deboning pliers, cooking planks, fish holders, BBQ grills and smokers (the "Wares") and in association with (1) providing membership in an organization centered around salmon; providing membership in a salmon club; providing information on issues related to salmon, namely salmon cooking, salmon & diet, salmon & health, salmon & spirituality, salmon & arts, and salmon conservation; (2) delivering salmon products to homes and offices; organizing salmon parties and banquets for homes and offices (the "Services"). The application is based on use in Canada since January 05, 2003 for Wares (1) and for Services (2) and use in Canada since January 25, 2002 for Services (1) and on proposed use in Canada for Wares (2).

The application was advertised on December 31, 2003 in the Trade-marks Journal for opposition purposes.

Minix Inc. (the "Opponent") filed on March 1st, 2004 a statement of opposition forwarded on March 23, 2004 by the Registrar to the Applicant.

The grounds of opposition pleaded in the statement of opposition can be summarized as follows:

(1) The application does not comply with the requirements of s. 30(b) of the *Trade-marks Act* R.S.C. 1985, c. T-13, (the «Act»), in that the Applicant did not used the Mark in Canada as a trade-mark as of the alleged dates of first use mentioned in the application in association with Wares (1), Services (1) and (2);

(2) The application does not comply with the requirements of s. 30(i) of the Act, in that the Applicant could not have been satisfied that it was entitled to use the Mark in association with the Wares and Services given that the Applicant had or should have knowledge, at the filing date of the application, of the Opponent's trade-marks and trade-name;
(3) The application does not comply with the requirements of s. 30(e) of the Act, in that the Applicant did not have, at the filing date of the application the intention to use the Mark in Canada in association with Wares (2);
(4) The Mark is not registrable pursuant to s. 12(1)(d) of the Act as it is confusing with the Opponent's registered trade-mark SEAQUEST, certificate of registration TMA498158, in association with food, namely frozen fish, fresh fish, and processed fish;
(5) The Applicant is not the person entitled to the registration of the Mark in association with Wares (2), pursuant to the provisions of s. 16(3)(a) and (c) of the Act as at the filing date of the application the Mark was confusing with the Opponent's trade-marks and trade-name previously used in Canada by the Opponent in association with the Opponent's wares;
(6) The Applicant is not the person entitled to the registration of the Mark in association with Wares (1) and Services (1) and (2), pursuant to the provisions of s. 16(1)(a) and (c) of the Act, as the Mark is confusing with the Opponent's trade-marks and trade-name used in Canada prior to the alleged date of first use mentioned in the application for those Wares and Services;
(7) For the reasons outlined above, the Mark is not distinctive within the meaning of s. 2 of the Act.

The Applicant filed on April 15, 2004 a counter statement denying all grounds of opposition.

The Opponent filed the affidavit of Mr. Claude Jauvin while the Applicant filed no evidence. Only the Opponent filed written arguments and no oral hearing was held. I should point out that the Applicant filed written arguments outside the delay to do so and was advised by the Registrar on January 25, 2006 that he could request a retroactive extension of time to cure his default but did not act accordingly. Therefore despite the fact that the Applicant's written arguments were still in the file I did not take cognizance of them and they will be returned to the Applicant as they do not form part of the record.

II Analysis of the grounds of opposition

The legal burden is upon the Applicant to show that its application complies with the provisions of the Act, but there is however an initial evidential onus on the Opponent to establish the facts relied upon by it in support of each ground of opposition. Once this initial onus is met, the

Applicant still has to prove, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [See *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd*., 3 C.P.R. (3d) 325, at pp. 329-330; *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R. (3d) 293 and *Wrangler Apparel Corp. v. The Timberland Company*, [2005] F.C. 722]**.**

The first and third grounds of opposition are dismissed, as the Opponent did not meet its initial onus. There is no evidence supporting such grounds of opposition.

As for the second ground of opposition as drafted, it does not constitute a proper ground of opposition. The mere fact that the Applicant was aware or should have been aware of the Opponent's rights in its trade-mark SEAQUEST and its trade-name SEAQUEST is not sufficient to maintain a ground of opposition under s. 30(i) of the Act. Such section only requires an applicant to state in its application that it is satisfied that it can use the mark applied for in Canada. The Opponent did not allege the likelihood of confusion between the Mark and its trade-mark SEAQUEST to support this ground of opposition. Where an applicant has provided the statement required by s. 30(i), the Registrar considers that this ground should only succeed in exceptional cases such as where there is evidence of bad faith on the part of an applicant. [*Sapodilla Co. Ltd. v. Bristol-Myers Co.* (1974), 15 C.P.R. (2d) 152 (T.M.O.B.) at 155]

The remaining grounds of opposition raise the issue of confusion between the Mark and the Opponent's trade-mark and trade-name SEAQUEST. Each one of them has its critical date:

- Entitlement to the registration of the Mark where the application is based on proposed use: the filing date of the application (July 9, 2003)[see s. 16(3) of the Act];
- Entitlement to the registration of the Mark where the application is based on use: the claimed date of first use of the Mark (January 05, 2003 for Wares (1) and for Services (2) and January 25, 2002 for Services (1)) [see s. 16(1) of the Act];
- Registrability of the Mark: the date of the Registrar's decision. [See *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd*. (1991), 37 C.P.R. (3d) 413 at 424 (F.C.A)]

- Distinctiveness: the filing date of the statement of opposition is generally accepted as the relevant date (March 1st, 2004) [See *Andres Wines Ltd. and E & J Gallo Winery* (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.), *Park Avenue Furniture Corporation*, op. cit and *Metro-Goldwyn-Meyer Inc. v. Stargate Connections Inc.* (2004), 34 C.P.R. (4th) 317 (F.C.T.D.)].

In the present case the difference in the relevant dates would not be a determining factor in assessing the likelihood of confusion between the Mark and the Opponent's trade-mark and trade-name SEAQUEST.

i) Registrability

Mr. Jauvin described himself as the Opponent's duly authorized representative. He has been, since February 2004, the Vice-President of Provigo Distribution Inc, ("Provigo") and employed by such entity since April 1995. The Opponent has granted to Provigo a license to use the trade-mark SEAQUEST. He filed a certificate of authenticity for the registered trade-mark SEAQUEST, TMA498158 mentioned in the Opponent's statement of opposition. The Opponent's trade-mark is registered in association with food, namely frozen fish, fresh fish and processed fish. Therefore the Opponent has met its initial onus with respect to the fourth ground of opposition.

The test to determine if there exists a likelihood of confusion between the Mark and the Opponent's trade-mark SEAQUEST is described in s. 6(2) of the Act and I must take into consideration all the relevant surrounding circumstances, including those listed in s. 6(5): the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known; the length of time the trade-marks or trade-names have been in use; the nature of the wares, services, or business; the nature of the trade; and the degree of resemblance between the trade-marks or trade-names in appearance, or sound or any ideas suggested by them. Those criteria are not exhaustive and it is not necessary to give each one of them equal weight [See *Clorox Co. v. Sears Canada Inc.* (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) and *Gainers Inc. v. Marchildon* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

The Supreme Court of Canada in *Mattel, Inc. v. 3894207 Canada Inc* (2006), 49 C.P.R. (4th) 321 and in *Veuve Clicquot Ponsardin c. Boutiques Cliquot Ltée* (2006), 49 C.P.R. (4th) 401 had the opportunity to discuss how these criteria interlink with one another. Mr. Justice Binnie stated in *Mattel* :

> In opposition proceedings, trade-mark law *will* afford protection that transcends the traditional product lines unless the applicant shows the likelihood that registration of its mark will *not* create confusion in the marketplace within the meaning of s. 6 of the *Trade-Marks Act*. Confusion is a defined term, and s. 6(2) requires the Trade-marks Opposition Board (and ultimately the court) to address the *likelihood* that in areas where both trade-marks are used, prospective purchasers will infer (incorrectly) that the wares and services - though not being of the same general class - are nevertheless supplied by the same person. Such a mistaken inference can only be drawn here, of course, if a link or association is likely to arise in the consumer's mind between the source of the well-known BARBIE products and the source of the respondent's less well-known restaurants. If there is no likelihood of a link, there can be no likelihood of a mistaken inference, and thus no confusion within the meaning of the Act.

I have to determine on a balance of probabilities, using these guidelines, if a consumer with an imperfect recollection of the Opponent's registered trade-mark SEAQUEST would think, when offered Wares or Services in association with the Mark, that they originate from the Opponent. If that is the case the application for the registration of the Mark must be refused.

The Mark is a coined word composed of two common English words so as the Opponent's trade-mark SEAQUEST. I do not think that one mark has a higher degree of inherent distinctiveness over the other.

The distinctiveness of a trade-mark can be enhanced through use. There is no evidence of use of the Mark. As for the Opponent's use of its trade-mark SEAQUEST, Mr. Jauvin's affidavit establishes the following facts:

- The Opponent was incorporated in March 1982 and is in the business of wholesale distribution of food products.
- On November 7, 1996, the Opponent acquired the registered trade-mark SEAQUEST from the then recorded owner Groupe Alimentaire Option Inc./Option Food Group Inc. and he filed a copy of such assignment.

- He alleges that the trade-mark SEAQUEST has been used by the Opponent's and its licensees since at least 1996 in association with fresh and frozen fish.
- He filed twenty-four different packaging bearing the trade-mark SEAQUEST used by the Opponent and/or its licensees since at least 2000 in association with different fish products including eight (8) different salmon products packaging.
- He provides the Opponent's yearly sales figures (which include the Opponent's licensees sales) of fish products sold in association with the trade-mark SEAQUEST. Between 2001 and July 2004 those sales totalled $51 millions which represent close to 5 millions units.
- The Opponent's fish products bearing the trade-mark SEAQUEST are sold in Canada in chain supermarkets such as Loblaws, Maxi, Provigo, The Real Canadian Super Store and Extra Foods.
- The Opponent has spent between 2001 and July 2004 close to $225,000 to promote its fish products in association with the trade-mark SEAQUEST. He filed copies of rebate coupons available in The Real Canadian Superstore, as well as samples of Loblaws, The Real Canadian Super Store, Provigo and Maxi's circulars on which appear fish products bearing the trade-mark SEAQUEST.

From this evidence I conclude that the Opponent's trade-mark SEAQUEST was known in Canada at any of the relevant dates identified above. Therefore the criteria described in s. 6(5)(a) favours the Opponent.

There is no evidence of use of the Applicant's Mark in Canada while the evidence described above establishes use of the Opponent's trade-mark SEAQUEST since at least 2000. This factor also favours the Opponent.

As for the nature of the parties' respective wares and their channels of trade, they are similar in so far as fish products are concerned. However, cooking equipment, namely fillet knives, deboning pliers, cooking planks, fish holders, BBQ grills and smokers are different than fish products.

I do not believe that there is similarity between the Opponent's wares and the Applicant's Services even though the Services are associated to salmon in general. From a simple reading of the description of the Services, as I do not have any evidence of their channels of trade, I do not foresee a reasonable chance of overlap in the parties' respective channels of trade.

Therefore these factors favour the Opponent with respect to the following wares only: fish products namely whole salmon and smoked salmon; fish steaks and fillets; canned fish; fish sauces and fish seasonings.

It has often been said that the degree of resemblance is the most important factor when assessing the likelihood of confusion between two trade-marks especially when the wares of the parties are identical or similar. [See for example *Beverley Bedding & Upholstery Co. v. Regal Bedding & Upholstering Ltd.* (1980), 47 C.P.R. (2d) 145]. In *Mattel* supra Mr. Justice Binnie said:

> What, then, is the perspective from which the likelihood of a "mistaken inference" is to be measured? It is not that of the careful and diligent purchaser. Nor, on the other hand is it the "moron in a hurry" so beloved by elements of the passing-off bar: *Morning Star Co-Operative Society Ltd. v. Express Newspapers Ltd.*, [1979] F.S.R. 113 (Ch. D.), at p. 117. It is rather a mythical consumer who stands somewhere in between, dubbed in a 1927 Ontario decision of Meredith C.J. as the "ordinary hurried purchasers": *Klotz v. Corson* (1927), 33 O.W.N. 12 (Sup. Ct.), at p. 13. See also *Barsalou v. Darling* (1882), 9 S.C.R. 677, at p. 693. In *Delisle Foods Ltd. v. Anna Beth Holdings Ltd.* (1992), 45 C.P.R. (3d) 535 (T.M.O.B.), the Registrar stated at p. 538:
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> > When assessing the issue of confusion, the trade marks at issue must be considered from the point of view of the average hurried consumer having an imperfect recollection of the opponent's mark who might encounter the trade mark of the applicant in association with the applicant's wares in the market-place.

The first syllable of the parties' respective trade-marks is different. The last syllable is identical. The Mark gives the idea of a fishing expedition to catch salmon while the Opponent's trade-mark could represent an adventurous journey on the sea.

The marks in issue, phonetically, have some similarity. They both begin with the letter "s" and have the same suffix.

There is no evidence of the state of the register to determine if the use of the word "QUEST" is common in the marketplace in association with fish products. As an additional surrounding circumstance I already mentioned that the Opponent is offering for sale at least eight different kind of salmon products in association with the trade-mark SEAQUEST.

Overall the Applicant has not convinced me that, on a balance of probabilities, the Mark would not be confusing with the Opponent's registered trade-mark SEAQUEST, when used in association with fish products namely whole salmon and smoked salmon; fish steaks and fillets; canned fish; fish sauces and fish seasonings. The fact that the Opponent's trade-mark SEAQUEST is known in Canada in association with fish products, including salmon, the similarities in the nature of those wares and the degree of resemblance between the marks in issue lead me to conclude as such. As for the other wares and Services, the Applicant has met its burden. I reach this conclusion on the basis that the Opponent's trade-mark is not highly inherently distinctive and thus the difference in the nature of the Wares (excluding fish products listed above) and Services and their channels of trade are sufficient to negate, on a balance of probabilities, any likelihood of confusion. Therefore this ground of opposition is maintained in part.

ii) Entitlement and distinctiveness

The Opponent has met its initial onus with respect to those grounds of opposition as it established that its trade-mark SEAQUEST was used prior to the filing date of the application or the claimed date of first use of the Mark by the Applicant in association with Wares (1) and Services (1) and (2). The Opponent's trade-mark SEAQUEST was sufficiently known in Canada prior to the filing date of the statement of opposition. Therefore in both instances it becomes an issue of likelihood of confusion between the parties' respective trade-marks. The conclusions reached under registrability are equally applicable under these grounds of opposition and they are therefore maintained in part.

As for the Opponent's reliance on the prior use of its trade-name SEAQUEST, there is no evidence in the record of such use. Consequently the grounds of opposition of entitlement and distinctiveness based on prior use of the Opponent's trade-name SEAQUEST are dismissed.

III Conclusion

I conclude that the Applicant failed to discharge its burden to prove, on a balance of probabilities, that there exists no likelihood of confusion between the Mark and the Opponent's trade-mark SEAQUEST in so far as fish products only are concerned namely whole salmon and smoked salmon; fish steaks and fillets; canned fish; fish sauces and fish seasonings.

Having been delegated authority by the Registrar of Trade-marks by virtue of s. 63(3) of the Act, I refuse the Applicant's application for the registration of the Mark for those wares only, the whole pursuant to s. 38(8) of the Act. On the issue of rendering a split decision, I would note the judgment of the Federal Court, Trial Division in *Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH*, 10 C.P.R. (3d) 492.

DATED IN BOUCHERVILLE, QUEBEC, THIS 9 th DAY OF JULY 2007.

Jean Carrière,
Member of the Trade-marks Opposition Board