IN THE MATTER OF AN OPPOSITION
by Vitality Foodservice, Inc. to application No. 739,481 for the trade-mark THE VITALITY BAR filed by Oakrun Farm Bakery Ltd.

On October 21, 1993, the applicant, Oakrun Farm Bakery Ltd., filed an application to register the trade-mark THE VITALITY BAR for "food products namely, energy bars" based on proposed use in Canada. The application was amended to include a disclaimer to the word BAR and was subsequently advertised for opposition purposes on May 10, 2000.

Lykes Pasco, Inc. filed a statement of opposition on July 10, 2000, a copy of which was forwarded to the applicant on July 25, 2000. The marks relied on in the present opposition were assigned to Vitality Foodservice, Inc. on April 9, 2001. Leave was granted on May 30, 2001 to amend the statement of opposition to change the opponent to Vitality Foodservice, Inc. and to rely on an additional registered mark.

The first ground of opposition is that the applicant's application does not conform to the requirements of Section 30(i) of the Trade-marks Act. The opponent alleged that the applicant could not have been satisfied that it was the person entitled to use the applied for mark in Canada because it was aware of the opponent's registered trade-marks comprising or including the word VITALITY.

The second ground of opposition is that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Trade-marks Act because it is confusing with the following registered trade-marks of the opponent:

Trade-mark	Reg. No.	Wares
	200,834	(1) Non-carbonated beverages namely, frozen concentrated orange juice, grapefruit juice, lemonade, grape juice, apple juice and ice tea. (2) Non-carbonated beverages namely frozen concentrated tomato juice.
VITALITY	197,389	Dispensing units for non-carbonated beverages.
VITALITY	200,836	(1) Non-carbonated beverages namely, frozen concentrated orange juice, grapefruit juice, lemonade, grape juice, apple juice and ice tea. (2) Non-carbonated beverages namely frozen concentrated tomato juice.

The third ground of opposition is that the applicant is not the person entitled to registration pursuant to Section 16(3) of the Act because, as of the applicant's filing date, the applied for trade-mark was confusing with the three registered trade-marks noted above previously used in Canada by the opponent. The fourth ground is that the applicant's trade-mark is not capable of distinguishing the applicant's wares in view of the use of the opponent's trade-marks in Canada.

The applicant filed and served a counter statement. As its evidence, the opponent submitted the affidavit of Brian Fuller. Mr. Fuller was cross-examined on his affidavit and the transcript of that cross-examination and the replies to undertakings given during the cross-examination form part of the record of this proceeding. As its evidence, the applicant submitted the affidavit of Stacey A. Smallwood. Only the applicant filed a written argument and an oral hearing was conducted at which only the applicant was represented.

The Opponent's Evidence

In his affidavit, Mr. Fuller identifies himself as the Vice President, International Sales and Marketing of the current opponent, Vitality Foodservice, Inc. The original opponent, Lykes Pasco, Inc., was incorporated in September of 1986 and subsequently merged with Lykes Pasco Packing Co. in October of that year, Lykes Pasco, Inc. being the surviving corporation. The food service component of Lykes Pasco, Inc. sold frozen juice and liquid coffee concentrates in association with the trade-mark VITALITY. It also sold dispensing equipment under that mark to the food service industry through independent and company-owned distributors. Lykes Pasco, Inc. was the owner of the three Canadian trade-mark registrations relied on in this opposition.

In 1997, the current opponent, Vitality Foodservice, Inc., was incorporated and assumed the food service component of Lykes Pasco, Inc. From 1997 on, Vitality Foodservice, Inc. sold the juice and coffee concentrates and the dispensers to the distributors. After that company was incorporated, its name appeared on the labels used for frozen concentrates sold in Canada (see pages 19-20 of the Fuller transcript). However, the three registered trade-marks relied on in this opposition were not assigned to Vitality Foodservice, Inc. until April 9, 2001. Furthermore, there is no evidence to indicate that Vitality Foodservice, Inc. used the VITALITY trade-marks under license from Lykes Pasco, Inc. in that intervening period.

Vitality Foodservice, Inc. carries on business in Canada through three wholly-owned

subsidiaries including Vitality Foodservice Canada Ltd. (see page 10 of the Fuller transcript). The opponent provided samples of labels used in Canada after 1997. The sample labels used since 2000 show the source of the goods as Vitality Foodservice Canada Ltd. with no indication that this company was using any trade-marks under license from Lykes Pasco, Inc. (see the reply to the undertaking given to question 85 of the Fuller transcript).

In his affidavit, Mr. Fuller provides sales figures for VITALITY brand products in Canada for the period 1991 to 2000 totalling in excess of $280 million. Advertising expenditures for that same period were greater than $1.9 million. The products sold were fruit juice and coffee concentrates and dispensing equipment which were purchased by restaurants and corporate and institutional users. Such customers would purchase a dispenser and then continue to buy packs of frozen concentrate to use with the dispenser. A dispenser is a fairly expensive piece of equipment ranging in price from $500 to $3,500 (see page 26 of the Fuller transcript). As conceded by Mr. Fuller, the opponent's products were not typically sold to average Canadian consumers (see page 27 of the Fuller transcript).

<u>The Applicant's Evidence</u>

The Smallwood affidavit serves to introduce into evidence particulars of eight Canadian trade-mark registrations. Of those eight registrations, only four are for trade-marks registered for relevant wares and which include the word VITALITY as a dominant portion of the mark.

The Grounds of Opposition

As for the first ground, it does not raise a proper ground of opposition. The mere fact that the applicant may have been aware of the existence of the opponent's trade-marks does not preclude it from truthfully making the statement in its application required by Section 30(i) of the Act. The opponent did not allege that the applicant adopted its trade-mark knowing it to be confusing with the opponent's marks. Thus, the first ground of opposition is unsuccessful.

As for the second ground of opposition, the material time for considering the circumstances respecting the issue of confusion with a registered trade-mark pursuant to Section 12(1)(d) of the Trade-marks Act is the date of my decision: see the decision in Conde Nast Publications Inc. v. Canadian Federation of Independent Grocers (1991), 37 C.P.R.(3d) 538 at 541-542 (T.M.O.B.). Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion between the marks at issue. Finally, in applying the test for confusion set forth in Section 6(2) of the Act, consideration is to be given to all of the surrounding circumstances including those specifically set forth in Section 6(5) of the Act.

As for Section 6(5)(a) of the Act, the opponent's marks are inherently distinctive. However, when used with frozen juice concentrates and the like, the word VITALITY is suggestive of the character or quality of the wares, namely that the wares are healthy products. Thus, the opponent's marks are not inherently strong. Although there appears to

have been extensive use of the opponent's marks in Canada, it is not clear who has been using the mark. Prior to 1997, it appears that use of the mark was by Lykes Pasco, Inc. However, after that date, it appears that there has been use of the mark by both Vitality Foodservice, Inc. and Vitality Foodservice Canada Ltd. Thus, it is difficult to determine the extent to which the mark has currently become known in Canada in the hands of the present opponent, Vitality Foodservice, Inc.

The applicant's mark THE VITALITY BAR is also inherently distinctive. However, it, too, is suggestive of the healthy character or quality of the related wares. Thus, the applicant's mark is not inherently strong. There being no evidence of use of the applicant's mark, I must conclude that it has not become known at all in Canada.

As for the wares and trades of the parties, it is the applicant's statement of wares and the statements of wares in the opponent's three registrations that govern: see Mr. Submarine Ltd. v. Amandista Investments Ltd. (1987), 19 C.P.R.(3d) 3 at 10-11 (F.C.A.), Henkel Kommanditgesellschaft v. Super Dragon (1986), 12 C.P.R.(3d) 110 at 112 (F.C.A.) and Miss Universe, Inc. v. Dale Bohna (1994), 58 C.P.R.(3d) 381 at 390-392 (F.C.A.). However, those statements must be read with a view to determining the probable type of business or trade intended by the parties rather than all possible trades that might be encompassed by the wording. In this regard, evidence of the actual trades of the parties is useful, particularly where there is an ambiguity as to the wares or services covered in the application or registrations at issue : see the decision in McDonald's Corporation v. Coffee Hut Stores Ltd.

(1996), 68 C.P.R.(3d) 168 at 169 (F.C.A.).

In the present case, the evidence establishes that the wares and trades of the parties are different. The applicant's wares are energy bars that presumably would be sold to individual consumers through retail outlets such as grocery stores, health food stores and convenience stores. The opponent's wares, on the other hand, are sold to restaurants and corporate and institutional users where they are used to dispense beverages from a machine. The opponent's wares are not intended to be sold to individual consumers.

As for Section 6(5)(e) of the Act, there is a fairly high degree of resemblance between the marks at issue due to the common use of the word VITALITY. However, as noted, that word is not inherently strong when used with food products. Furthermore, the applicant's mark comprises three words rather than one and uses the word VITALITY as an adjective rather than as a noun.

As an additional surrounding circumstance, I have considered that the evidence shows non-distinctive uses of the registered marks. During the period 1997 to 2001, there appears to have been extensive unlicensed use of the registered marks by Vitality Foodservice, Inc. notwithstanding that the registered owner was Lykes Pasco, Inc. In addition, there appears to have been extensive unlicensed use of those marks by Vitality Foodservice Canada Ltd. from 2000 on. Thus, the distinctiveness of the registered marks in the hands of the current opponent has been severely diminished.

As a further surrounding circumstance, the applicant has relied on the state of the register evidence introduced by the Smallwood affidavit to minimize the effect of any resemblance between the marks at issue. State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace: see the opposition decision in Ports International Ltd. v. Dunlop Ltd. (1992), 41 C.P.R.(3d) 432 and the decision in Del Monte Corporation v. Welch Foods Inc. (1992), 44 C.P.R.(3d) 205 (F.C.T.D.). Also of note is the decision in Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd. (1992), 43 C.P.R.(3d) 349 (F.C.A.) which is support for the proposition that inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located.

As noted, the Smallwood affidavit only evidenced four pertinent registrations. The mere existence of four registrations does not allow me to infer that any of those marks is in active use. Thus, the state of the register evidence in this case is of no relevance.

In applying the test for confusion, I have considered that it is a matter of first impression and imperfect recollection. In view of my conclusions above, and particularly in view of the differences between the wares and trades of the parties and the unlicensed use of the registered marks by entities other than the registered owner, I find that the applicant has satisfied the burden on it to show that there is no reasonable likelihood of confusion between its mark THE VITALITY BAR for energy bars and the three registered VITALITY marks.

Thus, the second ground of opposition is also unsuccessful.

As for the third ground of opposition, the material time for considering the circumstances is as of the applicant's filing date, namely October 21, 1993. The opponent has evidenced use of its trade-mark VITALITY in Canada for frozen fruit concentrates and dispensers prior to that date by its predecessor in title, Lykes Pasco, Inc. The third ground therefore remains to be decided on the issue of confusion between the applicant's mark THE VITALITY BAR for energy bars and the opponent's mark VITALITY for frozen fruit juice concentrates and dispensers as of the applicant's filing date.

Some of my conclusions respecting the second ground of opposition are also applicable to the third ground. As of the material time, the opponent evidenced some reputation for its mark in Canada in the hands of its predecessor in title. Again, however, the wares and trades of the parties are very different. Notwithstanding the resemblance between the marks at issue, I find that they were not confusing as of the applicant's filing date. Thus, the third ground is also unsuccessful.

As for the fourth ground of opposition, the onus or legal burden is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares from those of others throughout Canada: see Muffin Houses Incorporated v. The Muffin House Bakery Ltd. (1985), 4 C.P.R.(3d) 272 (T.M.O.B.). Furthermore, the material time for considering the circumstances respecting this issue is as of the filing of the opposition (i.e. - July 10, 2000): see

Re Andres Wines Ltd. and E. & J. Gallo Winery (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.) and Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.).

The fourth ground essentially turns on the issue of confusion as of the filing of the opposition. For the reasons discussed respecting the second ground, I find that the applicant's mark was not confusing with the opponent's mark VITALITY as of that date. Thus, the fourth ground is also unsuccessful.

In view of the above, and pursuant to the authority delegated to me under Section 63(3) of the Act, I reject the opponent's opposition.

DATED AT GATINEAU, QUEBEC, THIS 22nd DAY OF APRIL, 2005.

David J. Martin,
Member,
Trade Marks Opposition Board.