



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

Citation: 2010 TMOB 50
Date of Decision: 2010-04-21

**IN THE MATTER OF AN OPPOSITION
by Lidl Stiftung & Co. KG to application
No. 1,288,751 for the trade-mark
CROWN & Design in the name of Crown
Confectionery Co. Ltd.**

[1] On January 24, 2006, Crown Confectionery Co. Ltd. (the Applicant) filed an application to register the trade-mark CROWN & Design (the Mark) based upon proposed use of the Mark in Canada by the Applicant itself and/or through a licensee in association with dry cakes; peanut confectionery; chewing gum; candy; cakes; popcorn; bread; fructose; rice cakes and sandwiches. The Applicant claims the colours orange and violet as features of the Mark. The Mark is shown below:



[2] The application was advertised for opposition purposes in the *Trade-marks Journal* of May 30, 2007.

[3] On July 13, 2007, Lidl Stiftung & Co. KG (the Opponent) filed a statement of opposition. The Opponent pleaded grounds of opposition under s. 38(2)(a), s. 38(2)(b), s. 38(2)(c) and s. 38(2)(d) of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (“the Act”). The Applicant filed and served a counter statement in which it denied the Opponent’s allegations.

[4] In support of its opposition, the Opponent filed certified copies of registration Nos. TMA666,698 and TMA599,177, for the trade-marks CROWNFIELD and CROWN PASTETEN and Design (shown below). Both marks were registered on the basis of use and registration in Germany.



[5] In support of its application, the Applicant filed the affidavit of Enid Goldberg. The Opponent did not seek to cross-examine the Applicant's affiant.

[6] Only the Applicant filed a written argument. An oral hearing was requested but was subsequently cancelled.

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[7] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, there is an initial evidential 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 Limited v. The Molson Companies Limited* (1990), 30 C.P.R. (3d) 293 (F.C.T.D.) at 298].

[8] The Opponent has not met its initial burden with respect to the following grounds of opposition:

- s. 38(2)(a)/s. 30 grounds: there is no evidence that at the filing date of the application, the Applicant was already using the Mark, or that the proposed trade-mark to be used is not the Mark, or that the Applicant never intended to use the Mark in association with each of the applied for wares, or that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada;
- s. 38(2)(b)/s. 16(3) ground: there is no evidence that either of the Opponent's marks CROWNFIELD or CROWN PASTETEN and Design have been used

in Canada prior to the filing date of the application – the mere filing of a certified copy of an opponent’s registration will not support an opponent’s evidential burden with respect to grounds of opposition based on allegations of non-entitlement; and

- s. 38(2)(d) ground: there is no evidence that either of the Opponent’s marks had been used or made known in Canada prior to July 13, 2007 – the mere filing of a certified copy of an opponent’s registration will not support an opponent’s evidential burden with respect to grounds of opposition based on allegations of non-distinctiveness.

[9] Accordingly, the aforementioned grounds of opposition fail.

Section 12(1)(d) Ground of Opposition

[10] The Opponent has met its initial burden with respect to the ground that the Mark is not registrable pursuant to s. 12(1)(d) of the Act because the Mark is confusing with the trade-marks CROWNFIELD, registration No. TMA666,698 and CROWN PASTETEN and Design, registration No. TMA599,177, by evidencing that such registrations are extant. The mark CROWNFIELD is registered for use in association with the following wares: cereal preparations, namely cereal based snack food, cereal derived food bars (ready to eat), breakfast cereals, muesli, corn flakes, wheat based snack food, pasta, bread, pastries, namely cakes, cookies and crackers, biscuits. The mark CROWN PASTETEN and Design is registered for use in association with: chocolate, non-medicinal chocolate goods and sweets, namely chocolate pralines, chocolate cakes, chocolate candies, marzipan, liquorice, chocolate biscuits, chocolate tarts, chocolate waffles.

[11] The material date for assessing the likelihood of confusion under this ground is the date of my decision [*Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)].

[12] 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.

[13] 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 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 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.).]

The inherent distinctiveness of the trade-marks and the extent to which they have become known

[14] I consider the Opponent's CROWNFIELD mark to be more inherently distinctive than the Mark because it is a coined word and is not related to nor descriptive of the associated wares. The Opponent's CROWN PASTETEN and Design mark is also more inherently distinctive than the Mark because the word PASTETEN is not an ordinary dictionary word in English or French. The mark CROWN PASTETEN and Design as a whole is therefore not related to nor descriptive of any of the associated wares in English or French. It also includes certain design elements including a crown design, a border around the mark, and different fonts for each word.

[15] The Mark, on the other hand, is a stylized version of the ordinary dictionary word CROWN. The design and colour features of the Mark do not increase its inherent distinctiveness since they simply embellish the Mark as a whole.

[16] Neither party filed any evidence as to the extent their marks have become known in Canada.

The length of time each mark has been in use

[17] Given the absence of use of the Opponent's marks in Canada, the length of time the marks have been in use is not a material circumstance in the present case.

The nature of the wares, services, business and trade

[18] The wares of the parties are related because they are all food products. The only direct overlap between the specific wares at issue, however, is between the Applicant's candy and cakes and the Opponent's chocolate cakes and chocolate candies (registered under its CROWN PASTETEN and Design mark), and between the Applicant's cakes and the Opponent's cakes (registered under its CROWNFIELD mark). Presumably, such wares could be sold in the same sections of groceries stores. This would not likely be the case, however, for the remaining wares because they are not as similar [see, for example, the decision *Van Melle Nederland B.V. v. Principal Marques Inc.* (1998), 87 C.P.R. (3d) 368].

The degree of resemblance between the marks in appearance or sound or in the ideas suggested by them

[19] There is a high degree of resemblance in appearance and sound between the Mark and the Opponent's mark CROWN PASTETEN and Design since the Applicant's entire mark is identical to the first component of the Opponent's mark CROWN PASTETEN and Design. I also note that except for the gaps in the C and W letters, the Mark's font is the same as the font for the word CROWN in the Opponent's CROWN PASTETEN and Design mark. As for ideas suggested, both marks something regal or of high quality.

[20] While there is also some resemblance in appearance and sound between the Mark and the Opponent's CROWNFIELD mark, I consider the ideas suggested by these marks to be completely different. In this regard, the Opponent's mark CROWNFIELD suggests the idea of a good quality field while, as previously noted, the Mark is suggestive of something regal or of high quality.

Other surrounding circumstances

[21] State of the register evidence is usually introduced to show the commonality of a mark or a portion of a mark in relation to the register as a whole. Since it is only relevant insofar as one can make inferences from it about the state of the marketplace, it should be comprised of trademarks which include both the applied for mark or portion of the applied for mark and that are

used with wares or services similar to those at issue [*Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432; *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D.)]. 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 [*Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)].

[22] Mr. Goldberg attached printouts of Canadian trade-mark applications or registrations containing either the word CROWN and/or a crown design, all of which were for various food wares. The evidence reveals about a dozen or so relevant third party registrations for marks which contain either the word CROWN and/or a crown design. There is therefore at least some evidence to support the Applicant's submission that the word CROWN and/or crown designs are common to trade-marks for food wares.

Conclusion re s.12(1)(d)

[23] 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 resemblance between the Mark and the Opponent's mark CROWN PASTETEN and Design, and certain wares associated with each of these marks, I find that the Applicant has failed to discharge the burden upon it to show that there would be no reasonable likelihood of confusion between the Opponent's CROWN PASTETEN and Design mark and the Mark in so far as it covers candy and cakes.

[24] On the other hand, and particularly in view of the differences between the remaining food wares and the unlikelihood that they would be sold in the same sections of the grocery store, coupled with the evidence that the word CROWN and/or CROWN designs are somewhat common to trade-marks for various food wares, I find that there would be no reasonable likelihood of confusion between the Mark as applied to the remaining food wares and either of the Opponent's trade-marks.

[25] The s. 12(1)(d) ground of opposition is therefore successful in respect of the wares "candy and cakes" but is otherwise unsuccessful.

Entitlement Ground of Opposition

[26] There were two parts to the Opponent's s. 16 grounds of opposition. The first part was that the Mark was confusing with the Opponent's CROWNFIELD and CROWN PASTETEN and Design trade-marks that had been previously used or made known in Canada by the Opponent. As previously noted, the Opponent has not met its burden under this ground of opposition.

[27] The second part of the Opponent's s. 16 ground alleges that the Applicant is not entitled to registration of the Mark, pursuant to the provisions of "s. 16(3) introductory of the Act", because: (a) the application does not comply with the requirements of s. 30; (b) the Mark is not a proposed one but rather a used one; (c) the Mark is not registrable or does not function as a trade-mark.

[28] In my view, none of these issues are found in s. 38(2)(c) or section 16 of the Act, which pertain to persons entitled to registration of trade-marks. A pleading dealing with non-entitlement does not cover a pleading that the application does not comply with s. 30 of the Act, that the Mark is not a proposed one but rather a used one, or that the mark does not function as a trade-mark. This part of the Opponent's pleading, in my view, was therefore wrong in law. As noted in the recent Federal Court decision *Proctor and Gamble Inc. v. Colgate-Palmolive Canada Inc.* 2010 F.C. 231, an allegation that a mark is not a trade-mark should be pled under s.30 of the Act.

[29] I would like to add that it has also previously been found that the introductory wording of s. 16(1) does not form the basis of a ground of opposition as defined in s. 38(2) of the Act since s. 16(1) as a whole relates to the entitlement ground of opposition [see, for example, *Omega S.A. v. Omega Engineering Inc.* (2006), 51 C.P.R. (4th) 205 (T.M.O.B.)].

[30] Accordingly, the part of the s. 16 ground based on the allegation that the Applicant is not entitled to registration of the Mark contrary to the provisions of s. 16(3) introductory of the Act has not been considered.

Disposition

[31] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application with respect to the wares “candy and cakes” and I reject the opposition with respect to the remainder of the wares pursuant to s. 38(8) of the Act [see *Produits Menagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 C.P.R. (3d) 492 (F.C.T.D.) as authority for a split decision].

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