



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

Citation: 2011 TMOB 97
Date of Decision: 2011-06-22

**IN THE MATTER OF AN OPPOSITION
by Ezaki Glico Kabushiki Kaisha a.d.b.a.
Ezaki Glico Co., Ltd. to application
No. 1,137,865 for the trade-mark PRET &
Design in the name of Pret A Manger
(Europe) Limited**

[1] On April 18, 2002, Pret A Manger (Europe) Limited (the Applicant) filed an application to register the trade-mark PRET & Design (the Mark) based upon proposed use of the Mark in Canada. The Mark is shown below:



[2] The statement of wares and services in the application currently reads:

wares:

meat, fish, seafood, poultry, game and preparations made from the aforesaid namely prepared salads, meals and snacks made of meat, fish, seafood, poultry and/or game; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces, preserves; eggs; milk and non-alcoholic milk based drinks; edible oils and fats; fruit salads; meat and vegetable extracts; nuts; prepared and cooked meals and snacks namely baguettes and filled baguettes; yoghurts; yoghurt drinks; salads; chips and crisps; soups; coffee; tea; cocoa; sugar; cereals; flour, cereal bars, flapjacks and popcorn; bread; pretzels; pastry; cakes; buns; biscuits; pastries; cookies; muffins; croissants; doughnuts; brownies; couscous; rice; tapioca; sago; confectionery namely chocolate and candy; ices and ice creams; honey, treacle; salt; mustard; vinegar; sauces (condiments); salad dressings; spices; mayonnaise; pasta; pasties and pies; sandwiches; wrap sandwiches; puddings; sushi; tarts; beer; mineral and aerated waters and other non-alcoholic drinks namely non-alcoholic vegetable juices, smoothies and fruit based carbonated soft drinks; non-alcoholic fruit drinks and fruit juices; and syrups

services:

transport, packaging, storage and delivery of food and drink; transport and delivery of food and drink ordered from a global computer network or by means of telecommunications; providing of food and drink namely self-service restaurants, restaurants, cafés, cafeterias, canteens and catering services; providing online restaurant ordering and home and office delivery services to others over a global computer network; catering services provided online from a computer database or from a global computer network; information relating to food, drink and catering services; information relating to food, drink and catering services provided online from a computer data base or from a global computer network; providing an online site featuring text, images, e-commerce and ordering services in the field of food, drink and catering.

[3] The application was advertised for opposition purposes in the Trade-marks Journal of December 17, 2003.

[4] On February 4, 2004, Ezaki Glico Kabushiki Kaisha a.d.b.a. Ezaki Glico Co., Ltd. (the Opponent) filed a statement of opposition. The Applicant filed and served a counter statement in which it denied the Opponent's allegations.

[5] In support of its opposition, the Opponent filed affidavits of Kentaro Okabe (General Manager of the Opponent's Global Business Division) and Mary E. Talbot (a secretary employed by the agents representing the Opponent).

[6] In support of its application, the Applicant filed affidavits of Khadija Mahmood (a lawyer with the agents representing the Applicant) and Clive Schlee (the Applicant's Chief Executive Officer).

[7] As reply evidence, the Opponent filed a second affidavit of Mary E. Talbot. The Applicant has objected to the admissibility of this affidavit, but I do not see the need to deal with such objection as it is my view that the second Talbot affidavit, if admissible, is not significant to the outcome of this proceeding.

[8] Both parties filed a written argument. The Applicant was subsequently granted leave to file additional evidence, namely the affidavit of Cecilia Oliveira (a secretary employed by the agents representing the Applicant). The Opponent cross-examined Ms. Oliveira on her affidavit and a copy of the transcript of cross-examination is of record. The Opponent then obtained leave to file additional evidence, namely the affidavit of Carla Edwards (a secretary employed by the agents representing the Opponent), and to file a supplementary written argument.

[9] Both parties participated in an oral hearing.

Summary of Grounds of Opposition and Applicable Material Dates

[10] The grounds of opposition pleaded by the Opponent pursuant to the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) are summarized below:

- i. contrary to s. 30:
 - a) the Applicant could not have been satisfied that it was entitled to the use and registration of the Mark in view of the prior use and registration of the trade-marks PRETZ and GIANT PRETZ by the Opponent;
 - b) the application does not contain a statement in ordinary commercial terms of the specific wares or services in association with which the Mark is proposed to be used;
 - c) the Applicant had no intention to use the Mark in association with all of the wares and services set forth in the application;
- ii. contrary to s. 12(1)(d), the Mark is confusing with trade-marks registered by the Opponent, namely PRETZ registration No. TMA301,548 and GIANT PRETZ registration No. TMA506,696;
- iii. contrary to s. 16, at the date of filing of the application, the Mark was confusing with trade-marks previously used and made known in Canada by the Opponent,

namely PRETZ previously used or made known since at least as early as April 24, 1984 in association with bread sticks and GIANT PRETZ previously used or made known since at least as early as December 31, 1998 in association with biscuits and bread sticks;

- iv. contrary to s. 2, the Mark does not actually distinguish the wares and services of the Applicant from the wares or services of others nor is it adapted so as to distinguish them and in particular, the bread sticks and biscuits and bread sticks sold by the Opponent in Canada in association with the trade-marks PRETZ and GIANT PRETZ.

[11] The material dates with respect to the grounds of opposition are as follows:

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

Onus

[12] 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].

Section 30 Grounds of Opposition

[13] The Opponent has filed neither evidence nor argument in support of its s. 30 grounds of opposition. I am therefore dismissing them on the basis that the Opponent has not met its initial burden in respect thereof.

Likelihood of Confusion

[14] The main issue in this proceeding is whether the Mark is confusing with the Opponent's marks, PRETZ and GIANT PRETZ.

[15] 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.

[16] 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.).]

[17] I consider the Opponent's strongest ground of opposition to be the s. 12(1)(d) ground that alleges that the Mark is confusing with the registered trade-mark PRETZ. I will therefore first analyze the likelihood of confusion between PRET & Design and PRETZ. The Opponent has met its initial burden because the registration for PRETZ, No. TMA301,548, is extant. The wares in that registration are "bread sticks".

6(5)(a) - the inherent distinctiveness of the trade-marks and the extent to which they have become known

[18] Both marks have some inherent distinctiveness.

[19] However, the word portion of the Applicant's Mark is suggestive in the French language of fast food. Ms. Mahmood provides French-English dictionary definitions that indicate that "prêt" translates to "ready", "willing", "prepared", whereas Mr. Schlee attests that the Mark is

derived from another mark that the Applicant uses, PRET A MANGER, which Mr. Schlee attests means “ready to eat” in English.

[20] The word PRETZ is not a word in either French or English, although it might be seen as the first portion of “pretzel” when viewed in association with the Opponent’s wares. The Opponent’s wares, as shown in the exhibits to Mr. Okabe’s affidavit, appear to fall within the definition of a “pretzel”, namely a crisp salted biscuit made in the shape of a knot or a stick [*Oxford Canadian Dictionary*]. I also note that the Opponent states at paragraph 7.15 of its written argument that its “trade-marks are suggestive of a ‘pretzel-like’ product.”

[21] There is no evidence that the Applicant’s Mark has been used or promoted in Canada to date. In contrast, there is evidence that the Opponent’s PRETZ mark has been used in Canada since at least as early as April 24, 1984. Mr. Okabe provides the annual Canadian sales figures for PRETZ bread sticks from 1995 through 2004; the total exceeds four million dollars. Mr. Okabe also states that the PRETZ mark has been promoted continuously in Canada since 1984, but the only promotions that he specifically refers to are those on the websites of the Opponent and four online distributors (Exhibits A1-A4 and B).

[22] Overall, s. 6(5)(a) favours the Opponent.

6(5)(b) - the length of time each has been in use

[23] Clearly this factor also favours the Opponent.

6(5)(c) and (d) - the nature of the wares, services, business and trade

[24] When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties' trade-mark application or registration that govern in respect of the issue of confusion arising under s. 12(1)(d) [*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.)]. 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 registration at issue [*McDonald's Corp. v. Coffee Hut Stores Ltd.* (1996), 68 C.P.R. (3d) 168 (F.C.A.); *Procter & Gamble Inc. v. Hunter Packaging Ltd.* (1999), 2 C.P.R. (4th) 266 (T.M.O.B.); *American Optical Corp. v. Alcon Pharmaceuticals Ltd.* (2000), 5 C.P.R. (4th) 110 (T.M.O.B.)].

[25] Mr. Okabe attests that the Opponent is a manufacturer and wholesaler of confectionery, ice cream, processed foods, soft drinks and snack foods (paragraph 10). However, use of the PRETZ mark appears to be limited to bread/biscuit sticks, which are sold prepackaged in boxes of two sizes, 70 g. and 248 g. PRETZ sticks are sold in Canada through large supermarkets, such as Loblaws, Sobeys, and IGA, as well as through a large variety of Asian grocery stores. PRETZ sticks can also be purchased online. Packaging and promotional materials provided show the sticks are sold in a variety of flavours including maple syrup, pizza, honey hot cake, cheese & potato, salad, honey mustard, codfish roe, and tomato & salad. The wares are categorized on one website as “Japanese snacks” (Exhibit A1).

[26] Mr. Schlee attests that the Applicant was established in London, England “for the purpose of providing the public with ready-made sandwiches of a high-quality using only natural ingredients with little or no preservatives.” The Applicant has stores in the UK, New York City and Hong Kong and Mr. Schlee states that the stores cater mainly to the urban lunchtime trade; the majority of the sandwiches are bought to go, although generally the stores also allow the food to be eaten on the premises. The materials before me evidence that the stores that the Applicant operates abroad deal in more than just sandwiches, for example, they also sell sushi, salads, pasta, cakes, and coffee.

[27] Mr. Okabe also evidences that the Applicant’s services have expanded beyond sandwich shops, into home and corporate delivery services, as well as online ordering for delivery.

[28] There is clearly an overlap between the parties’ wares. However, I note the following submission made by the Applicant at paragraph 36 of its written argument:

The Applicant’s core wares and services are sandwiches and the operation of retail and online stores dealing in sandwiches and beverages. These wares and services - as well as the wares listed in the Application other than baked goods - are significantly

different from breadsticks, biscuits and biscuitsticks. Sandwiches are typically consumed as a meal as opposed to a snack. Sandwiches are prepared by hand, not baked. Sandwiches are created by combining a variety of different types of foods (for example bread, meat, vegetables and spreads).

[29] While I do not necessarily agree with all of the foregoing submission, it appears to me that the Applicant has admitted that the baked goods listed in its application are not significantly different from the Opponent's wares. I am of the view that the following applied-for baked wares are significantly similar to the Opponent's wares: baguettes; bread; pretzels; buns; biscuits; cookies.

[30] Regarding the remainder of the wares, I note the following comments by Board Member Flewelling in *Level Ground Trading Ltd. v. San Miguel Corporation* 2011 TMOB 39 at para. 31:

Even if one were to conclude that the Opponent's wares are "food products", the mere fact that the parties' wares and services would all arguably belong to the general class of "food products", is not sufficient to lead to a finding that the parties' wares are similar [see for example *Clorox Co. v. Sears Canada Inc.*, (1992), 41 C.P.R. (3d) 483 (F.C.T.D.) and *Tradition Fine Foods Ltd. v. Groupe Tradition'l Inc.* 2006 FC 858 (CanLII), (2006), 51 C.P.R. (4th) 342 (F.C.)].

[31] Section 6(5)(c) therefore favours the Opponent with respect to some of the wares.

[32] There is also a potential overlap between the channels of trade of the parties' wares. Even though the Applicant appears to not sell its wares through grocery stores, the statement of wares in its application does not preclude its wares from being sold through such channels. [See *Cartier Men's Shops Ltd. v. Cartier Inc.* (1981), 58 C.P.R. (2d) 68 (F.C.T.D.) at 73; *Eminence S.A. v. Registrar of Trade-marks* (1977), 39 C.P.R. (2d) 40 (F.C.T.D.) at 43.]

[33] Section 6(5)(d) therefore favours the Opponent.

6(5)(e) - the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[34] "Although the marks are not to be dissected when determining matters of confusion, it has been held that the first portion of a trade-mark is the most relevant for purposes of distinction." [*K-Tel International Ltd. v. Interwood Marketing Ltd.* (1997), 77 C.P.R. (3d) 523 (F.C.T.D.) at 527]

[35] The design features of the Applicant's Mark may help to distinguish the marks in so far as appearance is concerned. However, there is a high degree of resemblance between PRET & Design and PRETZ in sound. When sounded, an Anglophone might think that PRETZ is the plural of PRET. Insofar as the ideas suggested is concerned, the degree of resemblance between the marks varies depending on the language spoken by the target consumer; a Francophone would know that PRET has a dictionary meaning, whereas an Anglophone might consider both PRET and PRETZ to be coined words.

[36] Overall, s. 6(5)(e) favours the Opponent.

other surrounding circumstances

i) state of the register/state of the marketplace

[37] State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace, and inferences about the state of the marketplace can only be drawn where large numbers of relevant registrations are located. [*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.); *Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)]

[38] Ms. Mahmood, a lawyer with the Applicant's agents, provides details of active trade-marks on the Register containing "PRET" in association with food-related wares. As she has only located two marks registered by third parties (BIEN LAVE ET TOTALEMENT PRET A MANGER and PRETZELMAKER & Design), her search results do not support any inference about the state of the marketplace.

[39] Additional state of the register evidence has been provided by Ms. Oliveira and Ms. Edwards. Although the Opponent has argued that there are deficiencies with respect to Ms. Oliveira's evidence, there is no need to deal with those objections because the Opponent has, through Ms. Edwards, introduced an updated version of the evidence originally attached to Ms. Oliveira's affidavit.

[40] The Edwards affidavit provides the details of 20 extant trade-mark registrations. Each of these marks includes PRET, but in 15 of them PRET appears as part of PRETZEL resulting in

those marks being significantly different from the ones at issue. The 5 remaining marks are PRET POUR LA COURSE, PRETZIES, TIC PRETESTED, PRET A CREER and MULTI-PRETS. Even when I combine the marks introduced by Ms. Edwards and Ms. Mahmood, there are insufficient relevant registered marks to make any meaningful inference concerning the state of the marketplace.

ii) co-existence abroad

[41] Both parties have registered their marks in various foreign countries, but coexistence on foreign trade-mark registers is to be accorded little weight [*Quantum Instruments, Inc. v. Elinca S.A.* (1995), 60 C.P.R. (3d) 264 (T.M.O.B.) at 268-9]. “[L]ittle can be drawn from the fact that the trade marks at issue coexist in other jurisdictions, for the Registrar's decision must be based on Canadian standards, having regard to the situation in Canada.” [*Vivat Holdings Ltd. v. Levi Strauss & Co.* (2005), 41 C.P.R. (4th) 8 (F.C.) at para. 65]

iii) keystroke error

[42] Ms. Mahmood submits at paragraph 6:

6. On a standard QWERTY keyboard, the letter “P”, “R”, “E”, “T”, are scattered throughout the first row of letters. The letter “Z” is the first letter located in the far left corner of the third row, thus diminishing the likelihood that an individual would commit a keystroke error by either dropping or adding the letter “Z” when typing the word “PRET”.

[43] Clearly the foregoing submission is of no consequence to the issue at hand, namely whether 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 marks are manufactured, sold, leased, hired or performed by the same person.

conclusion re s. 12(1)(d) ground based on registration No. TMA301,548

[44] Having considered all of the surrounding circumstances, I find that the Applicant has not met its legal burden with respect to certain overlapping baked goods, namely baguettes, bread, pretzels, buns, biscuits, cookies. I reach this conclusion due to the similarities between the

marks, the overlap with respect to such wares and potential channels of trade, and the fact that only the Opponent's mark has acquired any distinctiveness in Canada. However, when one considers the remaining wares and services set out in the application, I have concluded that there is not a reasonable likelihood of confusion because the Opponent's mark has not acquired any reputation beyond its bread/biscuit sticks, which differ significantly from the services of the Applicant as well as from the following wares of the Applicant:

meat, fish, seafood, poultry, game and preparations made from the aforesaid namely prepared salads, meals and snacks made of meat, fish, seafood, poultry and/or game; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces, preserves; eggs; milk and non-alcoholic milk based drinks; edible oils and fats; fruit salads; meat and vegetable extracts; nuts; prepared and cooked meals and snacks namely filled baguettes; yoghurts; yoghurt drinks; salads; chips and crisps; soups; coffee; tea; cocoa; sugar; cereals; flour, cereal bars, flapjacks and popcorn; pastry; cakes; pastries; muffins; croissants; doughnuts; brownies; couscous; rice; tapioca; sago; confectionery namely chocolate and candy; ices and ice creams; honey, treacle; salt; mustard; vinegar; sauces (condiments); salad dressings; spices; mayonnaise; pasta; pasties and pies; sandwiches; wrap sandwiches; puddings; sushi; tarts; beer; mineral and aerated waters and other non-alcoholic drinks namely non-alcoholic vegetable juices, smoothies and fruit based carbonated soft drinks; non-alcoholic fruit drinks and fruit juices; and syrups.

[45] The Opponent's evidence has not established that its mark is entitled to a scope of protection that extends much beyond the particular type of wares with which it has been used. The s. 12(1)(d) ground therefore succeeds only to the extent set out above.

s. 16 ground of opposition based on prior use of PRETZ

[46] The Opponent has also pleaded that PRET & Design is confusing with PRETZ under s. 16(3)(a) of the Act. The assessment of this ground of opposition differs from that under s. 12(1)(d) in that the material date under s. 16(3) is the date of filing of the Applicant's application. Although that date is almost eight years earlier than today's date, the different date does not result in a different outcome. After all, the only change in the surrounding circumstances as of that date is the amount of Canadian sales of PRETZ wares; even though the Opponent's total sales were about one million dollars less eight years ago, s. 6(5)(a) still favours the Opponent.

[47] Therefore, insofar as it is based on the Opponent's prior use of PRETZ, the s. 16(3)(a) ground shares the same success as the s. 12(1)(d) ground.

remaining grounds of opposition

[48] I will not discuss the remaining grounds of opposition in detail as they do not favour the Opponent any more than the two grounds on which it has already partially succeeded. In particular, the Opponent's position based on its trade-mark GIANT PRETZ is less strong than its position based on its trade-mark PRETZ, due to the fact that PRET & Design resembles PRETZ more than GIANT PRETZ.

Disposition

[49] Pursuant to the authority delegated to me under s. 63(3) of the Act, I refuse the application with respect to the wares "baguettes, bread, pretzels, buns, biscuits, cookies" and I reject the opposition with respect to the remainder of the wares and services pursuant to s. 38(8) of the Act [see *Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH* (1986), 10 C.P.R. (3d) 482 (F.C.T.D.) as authority for a split decision].

Jill W. Bradbury
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