IN THE MATTER OF AN OPPOSITION by The Conde Nast Publications, Inc. to application No. 584,296 for the trade-mark GOURMET WORLD filed by The Canadian Federation of Independent Grocers

On May 21, 1987, the applicant, The Canadian Federation of Independent Grocers, filed an application to register the trade-mark GOURMET WORLD based on use in Canada since January 15, 1987 with the following services:

operation of a trade exhibition of food industry products, equipment and services.

The application was advertised for opposition purposes on January 6, 1988.

The opponent, The Conde Nast Publications, Inc., filed a statement of opposition on May 6, 1988, a copy of which was forwarded to the applicant on June 28, 1988. The first ground of opposition is that the application does not comply with the provisions of Section 30(i) of the Trade-marks Act because the applicant was aware of the opponent's trade-mark GOURMET Design. The second ground is that the application does not comply with the provisions of Section 30(b) of the Act because the applicant has not used its trademark from the date claimed.

The third ground of opposition it that the applied for trade-mark is not registrable pursuant to Section 12(1)(d) of the Act because it is confusing with the opponent's trade-mark GOURMET Design (illustrated below) registered under No. 277,151 for "magazine." The fourth ground is that the applicant is not the person entitled to registration in view of the opponent's prior use of its mark. The fifth ground is that the applicant's mark is not distinctive in view of the foregoing.

The applicant filed and served a counter statement. As its evidence, the applicant filed the affidavit of Nicola M. Hunt. There is no evidence of record from the opponent. Both parties filed a written argument and an oral hearing was conducted at which both parties were represented.

As for the first and second grounds of opposition, there was an evidential burden on the opponent to prove the underlying allegations of fact. Since there is no evidence of record from the opponent, these two grounds are unsuccessful.

As for the fourth ground of opposition, Section 16(1) of the Act requires that the opponent evidence use of its trade-mark prior to the applicant's claimed date of first use. Since the opponent has failed to do so, the fourth ground is also unsuccessful. Likewise, since there is no evidence of use of the opponent's mark, the fifth ground also fails.

As for the second ground of opposition, I have checked the register to confirm the existence of the opponent's registration: see the opposition decision in <u>Quaker Oats Co.</u> <u>of Canada Ltd.</u> v. <u>Menu Foods Ltd.</u> (1986), 11 C.P.R.(3d) 410. Thus, the second ground remains to be decided on the issue of confusion between the marks of the parties. The material time for considering the circumstances respecting the issue of confusion with a registered trade-mark would appear to be the date of my decision in line with the decision of the Federal Court of Appeal in <u>Park Avenue Furniture Corporation</u> v. <u>Wickes/Simmons Bedding Ltd.</u> (Court No. A-263-89; June 24, 1991). In the unreported reasons for judgment, Madame Justice Desjardins quotes with approval from a previous decision of the Federal Court of Appeal in <u>Oshawa Group Ltd.</u> v. <u>Creative Resources Co.</u> <u>Ltd.</u> (1982), 61 C.P.R. (2d) 29. Madame Justice Desjardins apparently relied on an interpretation of that case appearing in a reporting service (see page 12 of the unreported reasons) to support the position that the material time for Section 12(1)(d) of the Act is the date of decision. Page 12 of the reasons contains the following conclusion:

In an opposition to registrability, the view adopted by Heald J.A. in <u>Oshawa</u> appears to me to be the most logical one.

However, a review of the reasons in the <u>Oshawa Group</u> case, those of the Trial Judge ((1979), 47 C.P.R.(2d) 115) and those of the Chairman of the Opposition Board ((1977), 37 C.P.R.(2d) 221) strongly suggests that there was no ground of opposition based on Section 12(1)(d) of the Act in that case and no issue of registrability. The only grounds in the original opposition were one of non-compliance with Section 29(b) of the Act (now Section 30(b)) and one of prior entitlement pursuant to Section 16(1) of the Act.

As Madame Justice Desjardins herself recognizes (at page 9 of her reasons), the material date for assessing the issue of confusion arising pursuant to Section 16(1) of the Act is clearly set forth in that section as being the applicant's date of first use or making known. This has been recognized by the Federal Court of Appeal in <u>Asbjorn</u> <u>Horgard A/S</u> v. <u>Gibbs/Nortac Industries</u> (1987), 14 C.P.R. (3d) 314 at 335 as follows:

The trial judge clearly understood that under para. 16(1)(a) the material time for judging confusion was the time of initial use.

A similar finding was made by the Supreme Court of Canada respecting Section 16(3) of the Act in <u>La Maur Inc.</u> v. <u>Prodon Industries Ltd.</u> (1971), 2 C.P.R.(2d) 114 at 116, the material time in such a case being the filing date of the application in question.

Thus, it would appear that the reasoning of the Federal Court of Appeal in the <u>Oshawa</u> <u>Group</u> case may have been in error and therefore should not have been applied in the <u>Park</u> <u>Avenue</u> case. The preferred statement of the law would appear to be that enunciated in <u>Molnlycke Aktiebolag</u> v. <u>Kimberly-Clark Ltd.</u> (1982), 61 C.P.R. (2d) 42 at 52 (F.C.T.D.) to the effect that the material time in respect of Section 12(1)(d) of the Act is as of the filing of the opposition. In that case, Mr. Justice Cattanach applied the decision of the Federal Court of Appeal in <u>Re Andres Wines Ltd. and E. & J. Gallo Winery</u> (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.)

In addition to the above, it would appear that Madame Justice Desjardins' pronouncement on the matter of the material time for Section 12(1)(d) was `obiter dictum' since it appeared to have no bearing on the final outcome of the appeal. Nevertheless, notwithstanding a lack of clarity and precision in some of the supporting language, the decision is fairly clear in adopting the date of decision as the material time for considering the circumstances respecting the issue at hand, namely, registrability pursuant to Section 12(1)(d) of the Act. Thus, since I am unable to unequivocally find

that Madame Justice Desjardins clearly erred in law, I feel obliged to follow the pronouncement in the <u>Park Avenue</u> case. Furthermore, even if it is `obiter dictum', it is a fairly clear direction from the Federal Court of Appeal which should be followed unless shown to be clearly wrong.

In view of the above, I will consider the circumstances respecting the issue of confusion with the opponent's registered mark as of today's date. Furthermore, the onus or legal burden is on the applicant to show no reasonable likelihood of confusion. 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.

The opponent's mark GOURMET Design is inherently weak since it suggests that the contents of the opponent's magazine would be of interest to gourmets. The inherent weakness of the opponent's mark is underscored by the fact that the registration notes that registrability of the mark was recognized under Section 14 of the Act. There being no evidence from the opponent, I must conclude that its mark has not become known at all.

The applicant's mark GOURMET WORLD is also inherently weak although less so than the opponent's mark. The applicant's mark is suggestive of the nature of a food industry trade exhibition. Since the applicant has not filed evidence of use of its mark, I must also conclude that it has not become known at all.

The length of time the marks have been in use is not a material circumstance in the present case. The applicant's trade exhibition services would appear to be entirely different from the opponent's magazine. In the absence of evidence from the opponent, I must also conclude that the trades of the parties would also be entirely different.

The marks of the parties bear a fairly high degree of resemblance in all respects. The effect of that resemblance is mitigated to some extent by the state of the register evidence introduced by the Hunt affidavit. The fact that there are more than thirty registrations for trade-marks comprising or including the word GOURMET for various food products suggests that at least some of those marks are in use. Consequently, consumers would be accustomed to some extent to seeing such marks in the marketplace in relation to food products. Thus, consumers would be more likely to differentiate such marks on the basis of their differences. The opponent has submitted that such a conclusion does not extend to the issue at hand since the applicant is not seeking registration for food products. To some extent, I agree with the opponent's submission. However, the conclusion does have at least some application to the present case since, although the applicant's trade is not directly related to food products, its services do include the exhibition of such products.

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, services and trades of the parties, the inherent weakness of the marks and the absence of any acquired reputation for the opponent's mark, I find that the marks are not confusing. Consequently, the third ground

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is also unsuccessful.

In view of the above, I reject the opponent's opposition.

DATED AT HULL, QUEBEC, THIS <u>31st</u> DAY OF <u>JULY</u> 1991.

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