

**IN THE MATTER OF AN OPPOSITION by Les Breuvages
Nora Inc./Nora Beverages Inc. to application No. 753,306 for the
trade-mark NANA & Design filed by NANA INMOBILIARIA
DE NOGALES, S.A. DE C.V.**

On April 26, 1994, the applicant, NANA INMOBILIARIA DE NOGALES, S.A. DE C.V., filed an application to register the trade-mark NANA & Design, a representation of which appears below, based upon use of the trade-mark in Canada since at least as early as 1950 in association with “purified and mineral water” and based on use and registration of the trade-mark in Mexico in association with “purified water, soft beverages, bottled juices”. The application was amended at the examination stage to delete the use claim and to amend the wares in relation to the Subsection 16(2) basis to cover “mineral water”.

The present application was advertised for opposition purposes in the *Trade-marks Journal* of September 27, 1995 and the opponent, Les Breuvages Nora Inc./Nora Beverages Inc., filed a statement of opposition on November 27, 1995, a copy of which was forwarded to the applicant on December 27, 1995. In its statement of opposition, the opponent alleged the following grounds of opposition:

- (a) The present application does not comply with the provisions of Section 30 of the *Trade-marks Act* in that:
 - (i) the trade-mark NANA & Design identified in the present application is not the trade-mark covered by the claimed Mexican registration and, as of the filing date of the present application, the trade-mark NANA & Design had not been used in Mexico in association with “natural and flavoured water and mineral water”, contrary to Subsection 30(d) of the *Act*;
 - (ii) as of the filing date of the present application, the applicant could not have

declared that it was satisfied that it had the right to use the trade-mark NANA & Design in Canada, the applicant having been aware of the use in Canada of the opponent's trade-marks identified below and, as a result, the application does not meet the requirements of Subsection 30(i) of the *Act*;

(b) The applicant's trade-mark NANA & Design is not registrable in view of Paragraph 12(1)(d) of the *Trade-marks Act* in that the trade-mark NANA & Design was confusing with the following registered trade-marks of the opponent covering non-alcoholic beverages, including natural spring water:

<u>Trade-mark</u>	<u>Registration No.</u>
NAYA	330,280
NAYA "LA PURE"	407,579
NAYA LA SOURCE DU GOUT	441,808
NAYA THE SOURCE OF TASTE	441,809
	395,783
	450,284

(c) The applicant is not the person entitled to registration of the trade-mark NANA & Design in view of the provisions of Paragraph 16(2)(a) of the *Trade-marks Act* in that, as of the filing date of the present application, the trade-mark NANA & Design was confusing with the trade-marks NAYA, NAYA "LA PURE", NAYA LA SOURCE DU GOUT, NAYA THE SOURCE OF TASTE, and NAYA & Design, which had been previously used in Canada in association with natural spring water;

(d) The trade-mark NANA & Design is not distinctive in that it could not actually distinguish and it was not adapted to distinguish the applicant's mineral water from the wares and services of other persons, and more particularly the wares associated with the opponent's trade-marks NAYA, NAYA "LA PURE", NAYA LA SOURCE DU GOUT, NAYA THE SOURCE OF TASTE, and NAYA & Design.

The applicant served and filed a counter statement in which it generally denied the opponent's grounds of opposition. The opponent filed as its evidence the affidavit of Raynald A. Brisson while the applicant submitted the affidavit of Jacque Duguay. Both parties submitted written arguments and both were represented at an oral hearing.

The first two grounds of opposition are based on Subsections 30(d) and 30(i) of the *Trade-*

marks Act. While the legal burden is upon the applicant to show that its application complies with Section 30 of the *Trade-marks Act*, there is an initial evidential burden on the opponent to establish the facts relied upon by it in support of its Section 30 grounds [see *Joseph E. Seagram & Sons Ltd. et al v. Seagram Real Estate Ltd.*, 3 C.P.R. (3d) 325, at pp. 329-330; and *John Labatt Ltd. v. Molson Companies Ltd.*, 30 C.P.R.(3d) 293]. Further, the material time for considering the circumstances respecting the issues of non-compliance with Section 30 of the *Act* is the applicant's filing date [see *Georgia-Pacific Corp. v. Scott Paper Ltd.*, 3 C.P.R.(3d) 469, at p. 475].

The first Section 30 ground is based on Subsection 30(d) of the *Trade-marks Act*, the opponent alleging that the trade-mark NANA & Design identified in the present application is not the trade-mark covered by the claimed Mexican registration and, as of the filing date of the present application, the trade-mark NANA & Design had not been used in Mexico in association with "natural and flavoured water and mineral water". Subsection 30(d) of the *Trade-marks Act* provides as follows:

30. An applicant for the registration of a trade-mark shall file with the Registrar an application containing

(d) in the case of a trade-mark that is subject in another country of the Union of a registration or an application for registration by the applicant or his named predecessor-in-title on which the applicant bases his right to registration, particulars of the application or registration and, if the trade-mark has neither been used in Canada nor made known in Canada, the name of a country in which the trade-mark has been used by the applicant or his named predecessor-in-title, if any, in association with each of the general classes of wares or services described in the application;

I would note that the opponent did not file a copy of the applicant's Mexican registration as evidence in this opposition. In my view, an opponent wishing to rely upon documentation or correspondence filed at the examination stage of the application being opposed should file a copy thereof as evidence in the opposition. However, the applicant did not contest the failure of the opponent to submit a copy of its Mexican registration as evidence in this opposition; and I have therefore reviewed the certified copy of the applicant's Mexican registration No. 423,622 which it filed at the examination stage. Further, I have set out below a representation of the trade-mark NANA & Design covered in the applicant's Mexican registration.

Mexican Registration No. 423,622

It is clear that the design trade-mark covered in the present application differs from the trade-mark NANA & Design as registered in Mexico. Further, no explanation has been provided by the applicant as to why it has sought to register a trade-mark in Canada based on use and registration of its trade-mark in Mexico but which differs from the mark as registered in that country. More surprisingly, however, the applicant in its written argument took the position that the two design marks are identical, which they are not. Moreover, the applicant has not established that the matter deleted from the design trade-mark as registered in Mexico was not relevant to the applicant obtaining registration for the trade-mark NANA & Design in that country. In any event, I find that the opponent has met the evidential burden upon it in respect of this ground. Further, the applicant has not met the legal burden upon it in that the trade-mark NANA & Design covered in the present application is not identical to the mark as registered in Mexico and the applicant has failed to explain why the mark was changed and to show that the change would not have had an impact on the trade-mark being registered in Mexico. Thus, the first ground of opposition is successful.

Apart from the above, the opponent raised the issue of there having been a hand written change to the Mexican registration number which was identified in the application as being 423,626 and which was changed to 423,622. Certainly, there is nothing of record from the applicant to

explain this change to its application. I can only assume, therefore, that this change was made by the Trade-marks Office in response to telephone instructions from the applicant's trade-mark agents. In any event, the applicant submitted an amended application one week prior to the date of the oral hearing formally changing its Mexican registration number identified in the present application to 423,622. Consequently, this issue is no longer of relevance to the Subsection 30(d) ground.

As its second ground, the opponent alleged that the application does not conform to the requirements of Subsection 30(i) of the *Trade-marks Act* in that the applicant could not have been satisfied that it was entitled to use its trade-mark NANA & Design in Canada in association with the wares described in the application, the applicant having been aware of the use in Canada of the opponent's trade-marks identified above. However, no evidence has been furnished by the opponent to show that the applicant was aware of the opponent's trade-marks prior to filing the present application. Moreover, no evidence has been adduced to show that the applicant could not properly have been satisfied that it was entitled to use its trade-mark in Canada on the basis *inter alia* that its trade-mark is not confusing with the opponent's trade-marks. Thus, the success of this ground would be contingent upon a finding that the applicant's trade-mark is confusing with one, or more, of the opponent's trade-marks [see *Consumer Distributing Co. Ltd. v. Toy World Ltd.*, 30 C.P.R. (3d) 191, at p. 195; and *Sapodilla Co. Ltd. v. Bristol-Myers Co.*, 15 C.P.R. (2d) 152, at p. 155]. I will therefore consider the remaining grounds of opposition which are based on allegations of confusion between the applicant's trade-mark NANA & Design and the opponent's trade-marks.

The next ground of opposition is based on Paragraph 12(1)(d) of the *Trade-marks Act*, the opponent asserting that there would be a reasonable likelihood of confusion between the applicant's trade-mark NANA & Design and its registered trade-marks identified above. In determining whether there would be a reasonable likelihood of confusion between the applicant's trade-mark and one, or more, of the opponent's registered trade-marks within the scope of Subsection 6(2) of the *Trade-marks Act*, the Registrar must have regard to all the surrounding circumstances, including those which are specifically enumerated in Subsection 6(5) of the *Act*. Further, the Registrar must bear in mind that the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between the trade-marks of the parties as of the date of my decision, the

material date in relation to the Paragraph 12(1)(d) ground [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (FCA)].

With respect to Paragraph 6(5)(a) of the *Act*, consideration must be given to the inherent distinctiveness of the trade-marks at issue and the extent to which the trade-marks have become known. In this regard, the applicant's trade-mark NANA & Design as applied to mineral water is inherently distinctive. However, the applicant has not evidenced any use of its trade-mark in Canada and I must therefore assume that its mark has not become known to any extent in Canada.

The opponent's trade-marks NAYA, NAYA & Design, NAYA "LA PURE", NAYA LA SOURCE DU GOUT and NAYA THE SOURCE OF TASTE are inherently distinctive as applied to the wares covered in the opponent's registrations, that is, "Non-alcoholic beverages, namely soft drinks, fruit drinks, fruit juices, carbonated water and natural spring water" and, in the case of registration No. 450,284 for the trade-mark NAYA & Design, "Non-alcoholic beverages, namely natural spring water." With respect to the extent to which the opponent's trade-marks have become known in Canada, the opponent submitted the affidavit of its Director of Sales and Marketing, Raynald A. Brisson. Mr. Brisson attests to sales in Canada of the opponent's natural spring water in association with its various NAYA and NAYA & Design trade-marks. The most relevant of the opponent's marks is the trade-mark NAYA and, in my view, the evidence showing use of the opponent's various design marks likewise constitutes use of its word mark NAYA. I have concluded, therefore, that the trade-mark NAYA has become known in Canada as applied to natural spring water with sales in excess of \$23,300,000 from 1991 to 1995 inclusive while the total advertising expenditures from 1992 to 1995 exceeded \$3,600,000.

In view of the above, the extent to which the trade-marks at issue have become known clearly favours the opponent. Likewise, the length of time the trade-marks NANA & Design and NAYA have been in use is a further factor weighing in its favour, the applicant having shown no use of its trade-mark in Canada while the opponent has evidenced use of its trade-mark NAYA as applied to mineral water since 1991. As for the nature of the wares and the nature of the trade of the parties, the applicant's mineral water and the opponent's natural spring water are closely related and I would

expect the channels of trade of the parties to overlap. As for the degree of resemblance between the trade-marks at issue, the trade-marks NANA & Design and NAYA are similar in appearance although the marks differ in sounding and bear no similarity in the ideas suggested by them.

As a further surrounding circumstance in respect of the issue of confusion, the opponent submitted evidence of the state of the register by way of the Duguay affidavit. However, apart from four related registrations for the trade-marks LA BRISA-NADA, NADA DAIQUIRI, NADA-COLADA and NADA-RITA covering non-alcoholic cocktails and all standing in the name of CHI-CHI'S INC., I find that state of the register evidence of little assistance to the applicant in that the marks identified bear relatively little similarity when considered in their entireties to the trade-marks at issue. Given the limited number of third party marks uncovered by the applicant and the absence of evidence of use of any of these trade-marks in the marketplace in Canada, I have accorded little weight to the applicant's state of the register evidence.

The applicant also submitted evidence of the co-existence on the register in the United States of America of the trade-mark NANA & Design and the opponent's trade-mark NAYA & Design. In *Quantum Instruments, Inc. v. Elinca S.A.*, 60 C.P.R. (3d) 264, at pp. 268-269, I commented as follows concerning similar evidence of co-existence of the trade-marks at issue on trade-mark registers in other jurisdictions:

“As yet a further surrounding circumstance in respect of the issue of confusion, the applicant submitted evidence of registrations obtained by both parties in Great Britain and in the United States of America for the trade marks QUANTA and QUANTUM. However, as noted by Mr. Justice Marceau in *Re Haw Par Brothers International Ltd. and Registrar of Trade Marks* (1979), 48 C.P.R. (2d) 65 (F.C.T.D.) at p. 68, little can be drawn from the fact that the trade marks at issue coexist in other jurisdictions. As stated by the learned trial judge, the Registrar must base his decision on Canadian standards, having regard to the situation in Canada. Further, in *Sun-Maid Growers of California v. Williams & Humbert Ltd.* (1981), 54 C.P.R. (2d) 41 (F.C.T.D.) at p. 49, Jerome A.C.J. pointed out that "no significance can be attached to failure to oppose or object to registrations in other jurisdictions since such actions, of necessity, have their basis entirely in foreign law and procedure". Additionally, while the applicant has relied upon evidence of coexistence of the trade marks at issue on the registers in Great Britain and the United States of America, no evidence has been adduced of the coexistence of the trade marks at issue in the market-place in either of these countries. Further, the opponent's trade mark registration No. 1,216,459 is for the trade mark QUANTUM INSTRUMENTS & Design and not the trade mark QUANTUM. Accordingly, I do not consider this evidence to be persuasive in this proceeding.

Likewise, in the present proceeding, I find that the applicant's evidence relating to co-existence of the trade-mark NANA & Design and NAYA & Design in the United States of America is of little

persuasive value in determining the outcome of this opposition.

The opponent also relied upon the existence of its alleged family of trade-marks as yet a further surrounding circumstance in assessing the likelihood of confusion between the trade-marks NANA & Design and NAYA. At most, the opponent's evidence points to the existence of design marks and word marks which include the element NAYA and, as noted above, the trade-marks NAYA & Design constitute use of the word mark NAYA in any event. I therefore do not consider the issue of there being an alleged family of marks advances the opponent's case to any extent.

Having regard to the above and, in particular, to the similarity in appearance between the applicant's mark and the opponent's registered trade-mark NAYA as applied to similar wares travelling through the same channels of trade, and bearing in mind that the opponent has shown that its trade-mark NAYA has become known to a fair extent in Canada, I have concluded that the applicant has failed to meet the legal burden upon it in respect of the issue of confusion in relation to the Paragraph 12(1)(d) ground of opposition. As a result, this ground of opposition is also successful.

In view of the above, I do not propose to consider the remaining grounds in detail. However, with respect to the non-entitlement ground, I am satisfied that the opponent has met the burden upon it under Subsections 16(5) and 17(1) of the *Trade-marks Act* of establishing its prior use and non-abandonment of the trade-mark NAYA in Canada in association with natural spring water. Thus, the legal burden is upon the applicant to establish that there would be no reasonable likelihood of confusion between its trade-mark NANA & Design and the opponent's trade-mark NAYA as of the applicant's filing date, the material date for assessing this ground. Furthermore, having regard to my previous comments concerning the surrounding circumstances in assessing the likelihood of confusion in relation to the Paragraph 12(1)(d) ground, this ground of opposition is also successful.

Having been delegated by the Registrar of Trade-marks by virtue of Subsection 63(3) of the *Trade-marks Act*, I refuse the applicant's application pursuant to Subsection 38(8) of the *Trade-marks Act*.

DATED AT HULL, QUEBEC THIS 30th DAY OF SEPTEMBER, 1998.

G.W.Partington,
Chairperson,
Trade-marks Opposition Board