



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

Citation: 2017 TMOB 38

Date of Decision: 2017-04-24

IN THE MATTER OF A SECTION 45 PROCEEDING

Barrette Legal Inc.
and

Requesting Party

PET INCORPORATED

Registered Owner

TMA805,543 for SMART FIESTA

Registration

[1] At the request of Barrette Legal Inc. (the Requesting Party), the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on March 13, 2015 to PET INCORPORATED (the Owner), the registered owner of registration No. TMA805,543 for the trade-mark SMART FIESTA (the Mark).

[2] The Mark is registered for use in association with the following goods:

Tortillas; dry fajita seasoning; dry taco seasoning; kits for taco dinners containing taco shells or tortillas, taco sauce or salsa, and dry taco seasoning mix.

[3] The notice required the Owner to furnish evidence showing that the Mark was in use in Canada, in association with the goods specified in the registration, at any time between March 13, 2012 and March 13, 2015 (the relevant period). If the Mark had not been so used, the

Owner was required to furnish evidence providing the date when the Mark was last used and the reasons for the absence of use since that date.

[4] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for removing deadwood from the register. While mere assertions of use are not sufficient to demonstrate use in the context of a section 45 proceeding [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1979), 45 CPR (2d) 194, aff'd (1980), 53 CPR (2d) 63 (FCA)], the threshold for establishing use in these proceedings is quite low [see *Lang, Michener, Lawrence & Shaw v Woods Canada Ltd* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [see *Union Electric Supply Co v Canada (Registrar of Trade-marks)* (1982), 63 CPR (2d) 56 (FCTD)]. However, sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the goods specified in the registration during the relevant period.

[5] The relevant definition of “use” in this case is set out in section (4)(1) of the Act:

4(1) A trade-mark is deemed to be used in association with goods if, at the time of the transfer of the property in or possession of the goods, in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed or it is in any other manner so associated with the goods that notice of the association is then given to the person to whom the property or possession is transferred.

[6] In response to the Registrar’s notice, the Owner furnished an affidavit of Jason Doolan, Marketing Director for General Mills Canada Corporation (General Mills Canada), sworn on October 6, 2015 (the Doolan affidavit). Both parties filed written representations and attended an oral hearing.

The Owner’s evidence

[7] Mr. Doolan first briefly describes his position with General Mills Canada. He states that he has access to company records and to key personnel and has knowledge of the matters to which he deposes in his affidavit.

[8] Mr. Doolan provides background information about the Owner and General Mills Canada. He states that General Mills Canada is one of Canada’s largest manufacturers and

marketers of food products. Among the products it sells are the SMART FIESTA brand products. He further states that the Owner is an affiliate of General Mills Canada and that the two are directly or indirectly owned by General Mills Corporation, of Minneapolis, Minnesota.

[9] Mr. Doolan further states at paragraph 7 of his affidavit that:

General Mills Canada is the exclusive importer and licensee of [the Owner's] SMART FIESTA brand food products in Canada. [The Owner] controls the kind and quality of the products sold by General Mills Canada under this trade-mark. All products, labels and marketing materials must meet [the Owner's] approval.

[10] Mr. Doolan then turns to the sales of SMART FIESTA products in Canada.

[11] Mr. Doolan states that General Mills Canada has been selling tortillas, dry fajita seasoning; dry taco seasoning; kits for taco dinners containing taco shells or tortillas, taco sauce or salsa, and dry taco seasoning mix under the brand SMART FIESTA continuously in Canada since at least as early as 2011, with annual sales from 2012 to 2015 well in excess of CDN \$10,000,000 each year.

[12] Mr. Doolan explains that these SMART FIESTA products are now, and have been well before March, 2015 on sale through grocery stores and supermarket chains across Canada including Metro, Sobeys, Longos, Loblaws, Co-op Stores, and others.

[13] In support of his assertions of use of the Mark, Mr. Doolan attaches the following exhibits to his affidavit:

- Exhibit 1: “copies of representative invoices, dated from November 2014 to March 2015, showing the sales of SMART FIESTA branded tortillas, dry fajita seasoning; dry taco seasoning; kits for taco dinners containing taco shells or tortillas, taco sauce or salsa, and dry taco seasoning mix”.

Mr. Doolan explains that because of their accounting system record retention and storage policy, it is very difficult and time consuming for them to retrieve customer invoices that are more than six months old. Those invoices are moved to long term storage and stored

in a way that it is difficult to search them. However, he has been able to find invoices for SMART FIESTA branded products from November 2014.

Mr. Doolan further correlates the invoiced items with the registered goods.

- Exhibit 2: “sample packaging for SMART FIESTA branded (a) tortillas (Exhibit 2a); (b) dry fajita seasoning (Exhibit 2b); (c) dry taco seasoning (Exhibit 2c); and (d) kits for taco dinners containing taco shells or tortillas, taco sauce or salsa, and dry taco seasoning mix (Exhibit 2d)”.

Mr. Doolan asserts that such packaging is current and unchanged since at least as early as October 2014.

[14] Mr. Doolan further states that each SMART FIESTA product is and always has been labeled to show that the Owner is the trade-mark owner.

Analysis

[15] The Requesting Party made various submissions with respect to the Doolan affidavit. Its main arguments are that:

- There is no evidence that the Owner exercised control over the use of the Mark by General Mills Canada during the relevant period pursuant to section 50(1) of the Act.
- The trade-mark as shown on the goods differs from the Mark as registered.
- The Owner has not demonstrated use of the Mark with each of the registered goods.

[16] I will address these arguments in turn, in light of the Owner’s submissions.

Control over the licensed use of the Mark

[17] Interestingly, this argument was not raised in the Requesting Party’s written representations. At the hearing, the Requesting Party submitted that the evidence has not been filed by the Owner *per se* but its alleged licensee. In this regard, it submitted that Mr. Doolan’s statement in paragraph 7 of his affidavit reproduced above is vague and ambiguous in that

Mr. Doolan does not provide specific information about the terms and conditions of the license agreement entered into between the Owner and General Mills Canada and how the Owner exercised control over use of the Mark by General Mills Canada. It further submitted that the specimens of packaging attached to the Doolan affidavit add to the ambiguity of the evidence in that they do not provide any indication that General Mills Canada is a licensee of the Owner.

[18] In reply, the Owner asserts that it is well established that filing a copy of a license agreement is not mandatory in a section 45 proceeding, provided the evidence establishes that the registered owner had control over the character and quality of the goods bearing the trade-mark during the relevant period. The Owner submits that Mr. Doolan's statement discharges this obligation and satisfies the requirements of section 50 of the Act [citing as support *Johnston Law v 2341375 Ontario Inc*, 2016 TMOB 169]. The Owner further points out that the specimens of packaging filed under Exhibit 2d expressly refer to General Mills Canada and the Owner as importer of the goods and owner of the Mark respectively.

[19] I agree with the Owner that Mr. Doolan's statement attesting to the Owner's control over General Mills Canada is sufficient for the purposes of section 50 of the Act.

[20] As reminded by the Registrar in *Johnston Law, supra*:

[12] [...] section 50 of the Act does not require that public notice of a license be provided in order for any licensed use to be valid. Furthermore, it is well established that filing a copy of a license agreement is not mandatory in a section 45 proceeding [see *Gowling, Strathy & Henderson v Samsonite Corp*, (1996) 66 CPR (3d) 560 (TMOB)]. As stated by the Federal Court, there are three main methods by which a trade-mark owner can demonstrate the requisite control pursuant to section 50(1) of the Act: first by clearly attesting to the fact that it exerts the requisite control; second, by providing evidence that demonstrates that it exerts the requisite control; or third, by providing a copy of the license agreement that provides for the requisite control [per *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248 at paragraph 84].

[21] As in *Johnston Law* where the evidence of use of the trade-mark at issue was provided by a licensee of the registered owner, Mr. Doolan's statement satisfies the first method by clearly attesting to the fact that the Owner has control over the character and quality of the SMART FIESTA goods offered by General Mills Canada. The fact that this statement comes from General Mills Canada in its capacity as exclusive importer and licensee of the Owner, rather than

the Owner itself, does not put into issue the exercise of the requisite control by the Owner. Furthermore, Mr. Doolan's use of the present tense must be considered with the evidence as a whole. Read in context, nothing in the evidence is inconsistent with the interpretation that Mr. Doolan's statement regarding licensing and control are also with respect to the relevant period. As such, it is reasonable to conclude that the "present tense" statements are with respect to the Owner's normal course of trade generally, including during the relevant period [see *Smart & Biggar v Kraft Foods Group Brand LLC*, 2016 TMOB 43 at para 15].

[22] Consequently, I am satisfied that any demonstrated use of the Mark by General Mills Canada constitutes licensed use ensuring to the benefit of the owner.

Deviation

[23] The Requesting Party submits that the images of the Mark appearing on the sample packaging, as shown in Exhibit 2, do not provide evidence of use of the Mark, considering that the mark visible on such packaging is "SMART FIESTA SENSÉE". For the ease of discussion, I am reproducing under Schedule A hereto, an example of such sample packaging taken from Exhibit 2b.

[24] Drawing a parallel between the present case and the decisions in *Canada (Registrar of Trade-marks) v Compagnie Internationale pour l'Informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA); *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA); and *Brouillette Kosie v Andrés Wines Ltd*, 2003 CanLII 71152 (TMOB), the Requesting Party submits that the Mark is not used as registered.

[25] The Requesting Party submits that as it appears from Exhibit 2, the words "SMART FIESTA SENSÉE" are of the same color, same size and same lettering, leading to the conclusion that these words would be perceived as a single expression. The "SMART FIESTA" words themselves would therefore not be perceived as a separate trade-mark.

[26] The Requesting Party further submits that the Owner uses a mark resulting from a combination of two separate trade-marks, namely "SMART FIESTA" and "FIESTA SENSÉE", which it notes in its written representations is a registered trade-mark on its own, being registration No. TMA805,544. It submits that because of this combination and the way these

words appear on the packaging, the Mark loses its identity and is unrecognizable due to the differences between the form in which it is registered and the form in which it was used.

[27] In reply, the Owner first recalls that each case should be decided on its own facts and that the issue of deviation is very fact dependent. It submits that it is the perception of the consuming public with which we are concerned [citing *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB)].

[28] Second, the Owner points out that the Requesting Party's deviation argument does not arise with respect to the sample packaging shown in Exhibit 2d, which clearly depicts the SMART FIESTA mark on its own. For the ease of discussion, I am reproducing under Schedule B hereto, an example of such sample packaging taken from Exhibit 2d. As noted by the Owner, the packaging for these taco dinner kits (soft taco and hard taco kits) is double-sided. The English side depicts use of the mark SMART FIESTA, and the French side depicts the French alternative FIESTA SENSÉE. I will return to this exhibit when considering the third main argument advanced by the Requesting Party.

[29] Third, the Owner submits that the two marks SMART FIESTA and FIESTA SENSÉE are placed side by side on the sample packaging for the fajita seasoning mix (Exhibit 2b), taco seasoning (Exhibit 2c), and tortillas (Exhibit 2a). They share the bilingual word FIESTA.

[30] More particularly, the Owner submits that the Mark clearly appears on the packaging and that there is no suggestion that this use could deceive the public in any way. It points out that an asterisk appears on the packaging after the word FIESTA and also after the word SENSÉE, and that this asterisk refers to "TRADEMARKS/MARQUES DÉPOSÉES OF/DE PET INC." It submits that the display of SMART FIESTA* SENSÉE* would be perceived by a customer as two separate trade-marks. An English reader would ignore the French portion (SENSÉE), a French reader would ignore the English portion (SMART), and a bilingual reader would understand that the use of SMART and SENSÉE are English and French alternatives. In this regard, the Owner highlights that the sample packaging under Exhibits 2a, 2b and 2c show other uses of this kind, as per the following examples:

- "COMMENTS*QUESTIONS*COMMENTAIRES".

- “25% less sodium than original 25% moins de sodium que l’original”.

[31] The Owner draws a parallel between this case and the one in *Kruger Products LP v Cascades Canada ULC*, 2014 TMOB 237, where the display of the composite mark CHOOSE-A-SIZE / MESURE-AU-CHOIX & Roll Design representing the English and French versions of the registered owner’s marks qualified as use of the word marks as the public would perceive the English written component, as well as the French written component, as use of separate trade-marks *per se*.

[32] The Owner further submits that since the Mark appears as SMART FIESTA on the invoices, the Owner’s customers would recognize the trade-mark as it appears on the packaging as SMART FIESTA.

[33] Lastly, the Owner submits that the use of English and French versions of marks should not be discouraged, and especially in a proceeding under section 45 of the Act. The Registrar should not impose a rigid standard on the depiction of the English and French trade-marks which share bilingual words. It submits that the Owner should not be in a position where it may lose its registration because of this kind of use.

[34] I am in general agreement with the Owner’s position.

[35] It is well established that where the trade-mark as used deviates from the trade-mark as registered, the question to be asked is whether the trade-mark was used in such a way that it did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used [*Honeywell Bull, supra*]. In deciding this issue, one must look to see if, as a question of fact, the “dominant features” of the registered trade-mark have been preserved [*Promafil, supra*].

[36] Furthermore, the use of a trade-mark in combination with additional words or features constitutes use of the registered mark if the public, as a matter of first impression, would perceive the trade-mark *per se* as being used [see *Nightingale Interloc, supra*].

[37] As stated in *Honeywell Bull, supra*:

The practical test to be applied in order to resolve a case of this nature is to compare the trade mark as it is registered with the trade mark as it is used and determine whether the differences between these two marks are so unimportant that an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin. [at 525]

[38] In the present case, I agree with the Owner that the asterisk appearing on the packaging after the word FIESTA and also after the word SENSÉE supports the position that the display of SMART FIESTA* SENSÉE* would be perceived by a customer as two separate trade-marks, namely SMART FIESTA and its French alternative FIESTA SENSÉE. In this regard, it is well established that there is nothing to prevent two trade-marks from being used simultaneously in relation to the same goods [see *AW Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD)]. My finding is reinforced when considering the recipe of “Fajita Salad Wraps” (in French: “Roulés fajitas au poulet et aux légumes”) displayed in both official languages on the back of the packaging reproduced under Exhibit 2a, which lists among other ingredients: “1 pkg Old El Paso* Smart Fiesta* Tortillas” and “1 pkg Old El Paso* Smart Fiesta* Reduced Sodium Fajita Seasoning Mix” (in French: “1 emb. de tortillas Old El Paso* Fiesta Sensée* and “1 emb. de mélange d’assaisonnements pour fajitas à teneur réduite en sodium Old El Paso* Fiesta Sensée*”).

[39] The display of the SMART FIESTA trade-mark on the exhibited invoices further provide context informing the Registrar as to what the public would perceive. As attested to by Mr. Doolan in paragraph 17 of his affidavit, these invoices provide product descriptions expressly referring to the SMART FIESTA products shown in Exhibit 2 as follows: “OEP SMART FIESTA TORTILLA SHEL” (meaning the product shown in Exhibit 2a); “OEP SMART FIESTA FAJITA SEASON” (meaning the product shown in Exhibit 2b); “OEP SMART FIESTA TACO SEASON” or “SMART FIESTA TACO SEASONIN” (meaning the product shown in Exhibit 2c); “OEP SMART FIESTA SOFT TACO KIT” (meaning the product shown in Exhibit 2d); and “OEP SMART FIESTA HARD TACO KIT” (meaning the product shown in Exhibit 2d).

[40] Although Mr. Doolan does not clearly attest to whether the invoices accompanied the goods when shipped, I note that many of the invoices show the same shipping date and invoice date. As such, I accept that these invoices are representative of transfers in Canada of the goods

shown in Exhibit 2 in the normal course of trade during the relevant period. I further accept that the display of SMART FIESTA on these invoices constitutes display of the Mark in association with such goods.

Use of the Mark with each of the registered goods

[41] In view of my findings made above, the only issue left is whether the Owner has shown use of the Mark in association with each of the registered goods.

[42] The Requesting Party submits that none of the exhibited packaging and invoices displays the Mark with the registered good “salsa”. The statement of goods refers to “salsa” as follows: “kits for taco dinners containing taco shells or tortillas, taco sauce or salsa, and dry taco seasoning mix”.

[43] In reply, the Owner submits that the Doolan affidavit provides evidence of use of the Mark in association with both of these tortilla and taco dinner “kits” and that it is not for the Registrar to revisit the exact description of goods in the registration [citing *Ridout & Maybee LLP v Omega SA*, 2005 FCA 306, 43 CPR (4th)].

[44] While not without merit, the Owner’s submissions do not convince me in this case.

[45] None of the dinner kits under Exhibit 2d refers to salsa as being included in the kit. To the contrary, the furnished evidence leads me to conclude that it is not. Notably, the kits only include hard taco shells (or soft tortillas), taco seasoning mix, and taco sauce. In this regard, I note that the packaging for the soft taco dinner kit reproduced in Schedule B hereto, displays a photograph of a bottle of salsa sauce under the heading “Also try...Essayez aussi...” The bottle apparently displays the “Old El Paso” trade-mark. However, there is no indication that the Mark would also be displayed on the bottle.

[46] The requirement to demonstrate use with each of the goods covered by the present registration would not have placed an unreasonable burden on the Registrant [see *John Labatt v Rainier Brewing Co et al*, (1984) 80 CPR (2d) 228 (FCA) for the general principle that where the registered owner chooses to register a list of goods, the implication is that one good is different from the other, and therefore that use must be shown on each good].

[47] In this case, notwithstanding the Owner's submissions, amending the registration to delete "...or salsa", accurately reflects the Owner's demonstrated use of the Mark in association with the goods "kits for taco dinners containing..."

Disposition

[48] As no evidence of special circumstances excusing non-use of the Mark in association with the good "salsa" was furnished by the Owner, in view of all of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with the provisions of section 45 of the Act, the registration will be amended to delete "...or salsa" from the statement of goods.

[49] The amended statement of goods will read as follows: "Tortillas; dry fajita seasoning; dry taco seasoning; kits for taco dinners containing taco shells or tortillas, taco sauce, and dry taco seasoning mix".

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Schedule A

Excerpt from Exhibit 2b



Excerpt from Exhibit 2d

Schedule B

OLD EL PASO
ESTABLISHED 1928

SMART FIESTA

SOFT TACO

DINNER KIT

WHOLE GRAIN

MAKES 10 TACOS

high source of fibre

35% less sodium than our regular soft taco kit*

Kit includes: 10 Soft Tortillas Made With Whole Grain, Reduced Sodium Taco Seasoning Mix, Reduced Sodium Taco Sauce

Ready in 20 minutes

354 g

SUGGESTED SERVING

Also try... Essayez aussi!

BETTER IF USED BY / UTILISEZ AVANT

RECIPES & MORE RECIPES ET PLUS

Almodadillas.com/la-vittredeltesoro.com/la

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3881237106 3/2013 1046

PROCESSED BY THE OLD EL PASO FOOD CO., INC.
GENERAL MILLS CANADA CORPORATION
SOUTHFIELD, ONTARIO, CANADA

*BASED ON 100% WHOLE GRAIN TORTILLAS AND 100% WHOLE GRAIN TACO SEASONING MIX. SODIUM IN THIS PRODUCT IS LOWER THAN THAT OF OTHER BRANDS OF SOFT TACO DINNER KITS. ALWAYS READ THE LABEL FOR NUTRITIONAL INFORMATION. ©2013 GENERAL MILLS CANADA CORPORATION. ALL RIGHTS RESERVED.

Nutrition Facts
Per 1/5 of package (71 g)

Calories	150	%DV*
Total Fat	2 g	3%
Saturated Fat	0.5 g	1%
Trans Fat	0 g	0%
Cholesterol	0 mg	0%
Sodium	520 mg	22%
Carbohydrate	29 g	10%
Fibre	4 g	16%
Sugars	2 g	
Protein	4 g	6%
Vitamin A		2%
Vitamin C		6%
Iron		10%

Valeur nutritive
pour 1/5 d'emballage (71 g)

Calories	150	%V*
Lipides	2 g	3%
Lipides saturés	0,5 g	1%
Cholestérol	0 mg	0%
Sodium	520 mg	22%
Glucides	29 g	10%
Fibres	4 g	16%
Protéines	4 g	6%
Vitamine A		2%
Vitamine C		6%
Fer		10%

2A 2013

3B 11394

3C 2013

**TRADE-MARKS OPPOSITION BOARD
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HEARING DATE: 2017-04-11

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