

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

Citation: 2017 TMOB 37
Date of Decision: 2017-04-24
[UNREVISED ENGLISH
CERTIFIED TRANSLATION]

IN THE MATTER OF AN OPPOSITION

National Importers Inc. Opponent

and

SONAFI, Société par Actions Simplifiée

Applicant

1,613,528 for CARAMELIA

Application

Introduction

- [1] National Importers Inc. (the Opponent) opposes the registration of the CARAMELIA trade-mark (the Mark) covered by application No. 1,613,528 in the name of SONAFI, Société par Actions Simplifiée (the Applicant), filed on February 11, 2013 with the Registrar of Trade-marks.
- [2] This application, as revised during review, is based on the use and registration of the Mark in France in association with the same kind of goods as those described hereinafter, and claims the priority filing date of August 17, 2012:

Cocoa. Pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery; chocolate. (Hereinafter sometimes collectively referred to as the "Goods").

[3] This application also contains the following mention:

CARAMELIA is an invented word and has no translation in French nor English.

- [4] The Opponent bases its opposition on three grounds, all revolving around the question of the likelihood of confusion within the meaning of the *Trade-marks Act*, RSC 1985, c. T-13 (the Act), between the Mark and the CARAMELLA trade-mark, registered on May 26, 2006 under No. TMA664,996 in association with the goods: [French translation] "Produits alimentaires, nommément produit à tartiner à utiliser en cuisson, et en boulangerie et pâtisserie" (*Food products, namely a spread for use in cooking and baking*), belonging to the Opponent and having been used by it in Canada.
- [5] Such as it will stem from my analysis, I consider there is reason to accept this opposition in part only.

The record

- [6] The application was advertised for opposition purposes in the *Trade-marks Journal* of July 30, 2014.
- [7] The statement of opposition was filed on September 26, 2014 and alleges the Mark is not distinctive within the meaning of section 2 of the Act, that it is not registrable within the meaning of section 12(1)(d) of the Act, and that the Applicant is not the person entitled to registration of the Mark within the meaning of section 16(2)(a) of the Act, because it is confusing with the Opponent's CARAMELLA trade-mark described above.
- [8] A counter statement denying each of the grounds of opposition argued was filed on October 15, 2014, then amended voluntarily by the Applicant with the permission of the Registrar granted on June 5, 2015, in order to note an error that occurred at the time of the advertisement of this application in the *Trade-marks Journal*.
- [9] In support of its opposition, the Opponent filed an affidavit by Michelle Dickens, dated March 12, 2015.
- [10] In support of its application, the Applicant filed an affidavit by Nadia Bédard, a paralegal with the firm representing the Applicant in these proceedings, dated July 15, 2015, and an affidavit by Rémi Gauvin, "student", dated July 16, 2015.

[11] Only the Opponent filed a written argument. The two parties participated in the hearing held in this file.

Preliminary remark

- [12] As noted by the Applicant in its amended counter statement, an error occurred at the time of the advertisement of this application in the Trade-*marks Journal*.
- [13] More specifically, the statement of goods covered by this application, reproduced in this advertisement, does not account for the entirety of the changes made by the Applicant in its revised registration application filed with the Registrar on February 3, 2014, in that the specific exclusion of "spreads" was omitted.
- [14] In the circumstances, I confirmed to the parties, at the beginning of the hearing, that the statement of the Goods, as amended, had been noted and would be recorded officially in the Registrar's record parallel to this decision.

<u>Analysis</u>

The burden incumbent on the Parties

- [15] It is initially up to the Opponent to establish that its opposition is well-founded. However, the legal onus of showing that the Mark is registrable falls to the Applicant, according to the balance of probabilities [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) and *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].
- [16] As indicated above, the three grounds of opposition argued by the Opponent all revolve around the question of the likelihood of confusion between the Mark and the Opponent's CARAMELLA trade-mark.
- [17] As my analysis will reveal, although the test for confusion remains the same, the initial burden of proof incumbent on the Opponent and the relevant applicable dates vary according to each of these grounds.

[18] I will begin my analysis regarding the ground based on the non-registrability of the Mark within the meaning of section 12(1)(d) of the Act.

Non-registrability of the Mark

- [19] The Opponent alleges that the Mark is not registrable within the meaning of Section 12(1)(d) of the Act since it is confusing with the Opponent's CARAMELLA registered mark described above.
- [20] The relevant date for deciding on a ground of opposition based on the non-registrability of a trade-mark in regard to the confusion created with a registered trade-mark is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd* (1991), 37 CPR (3d) 413 (FCA)].
- [21] I exercised my discretion and checked that the registration claimed by the Opponent in support of this ground is still in effect in the trade-marks register. Since this is the case, the Opponent has met the initial burden of proof incumbent on it. The Applicant must now show, according to the balance of probabilities, that there is no risk of confusion between the Mark and this mark registered by the Opponent.

The Test for Confusion

- [22] The test for confusion is that of first impression and imperfect recollection. According to subsection 6(2) of the Act, 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 goods or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class.
- [23] In deciding whether these trade-marks cause confusion, the registrar must take into account all circumstances in the case, specifically those listed in subsection 6(5) of the Act, i.e. a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; b) the length of time the trade-marks or trade-names have been in use; c) the nature of the goods, services or business; d) the nature of the trade; e) the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. This list is not

exhaustive and different weight could be given to each of these factors, depending on the situation [see *Mattel, Inc v 3894207 Canada Inc.* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 (SCC) and *Masterpiece Inc v Alavida Lifestyles Inc.* (2011), 92 CPR (4th) 361 (SCC)] for a more thorough examination of the general principles governing the test for confusion].

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

- [24] The parties' marks have an equivalent inherent distinctiveness. Although they consist of invented words, they are both forged from the word "CARAMEL", which constitutes their dominant element, despite the suffixes "LA" and "IA". In this, it is my opinion their inherent distinctiveness is relatively low in the context of the food products associated with them [see, to the same effect, the decision *Culinar Inc v National Importers Inc*, 2004 CanLII 71834 (TMOB), upheld on appeal by 2005 FC 1460, (2005) 44 CPR (4th) 241 (FC), also concerning the Opponent's CARAMELLA mark, in which the Federal Court likened the inherent distinctiveness of a mark to its originality].
- [25] It is possible to increase the strength of a trade-mark by making it known through promotion or use in Canada.
- [26] As indicated above, this application is based on the use and registration of the Mark in Canada. Since no evidence has been made part of the record regarding the extent to which the Mark would become known in Canada, I cannot conclude that the Mark has any acquired distinctiveness.
- [27] The conclusion will be different concerning the Opponent's CARAMELLA mark, as will be shown by my review of Ms. Dickens' affidavit.

Ms. Dickens' affidavit

[28] Ms. Dickens affirms the Opponent is a major food importer and distributor in Canada.

- [29] Since the goods involved are used more specifically in association with the CARAMELLA mark, Ms. Dickens affirms the Opponent has used it in Canada since at least May 1999 in association with [French translation] "un produit à tartiner à utiliser en cuisson, et en boulangerie et pâtisserie" (a spread for use in cooking and baking). She attaches to this effect, in Exhibit "B" of her affidavit, a representative sampling of labels showing the CARAMELLA mark, as affixed to the jars in which this product is sold and described as a "tartinade de caramel au lait" (milk caramel spread). For the purposes of my analysis and my discussion, I will refer to the Opponent's product as "the CARAMELLA spread".
- [30] Ms. Dickens affirms the CARAMELLA spread has been sold since May 1999 in various food and grocery stores in Canada, such as Highland Farms, LCL, Metro, Safeway, Overwaitea, Shoppers Drug Mart, Sobeys, Thrifty Foods, and Wal-Mart.
- [31] Ms. Dickens affirms the CARAMELLA spread is also offered for sale on the Internet, including via the *http://powershopper.com* website, and attaches an excerpt of this website to this effect as Exhibit "C".
- [32] Ms. Dickens provides the number of cases sold and the sales figures for the CARAMELLA in Canada for each of the years 1999 to 2014. The total number of cases sold is 53,000 cases and exceeds \$2.2 million in value. More specifically, the number of cases sold is around one thousand cases per year in the least good years, and more than 7,000 cases per year in the best years. The sales figures range from a few tens of thousands of dollars per year in the least good years, to nearly \$300,000 in the best years.
- [33] Ms. Dickens also provides the amounts allocated to advertising and promotion of the CARAMELLA in Canada for each of the years 2008 to 2014. The total amount exceeds \$65,730 and ranges from about \$5,000 to about \$15,000 per year.
- [34] Ms. Dickens explains the CARAMELLA spread is advertised and promoted, in particular, by product demonstrations, distribution of samples to consumers and industry representatives, advertising campaigns with the Opponent's retailers, and deployment of display cases at these retailers. Ms. Dickens attaches various examples of such advertising and promotion to her affidavit, including:

- Exhibit "D": a representative sampling of the sales cards used by the Opponent to promote its CARAMELLA spread to its retailers;
- Exhibit 'E": a representative sampling of a display case or "shipper" found at the retailers offering the CARAMELLA spread for sale;
- Exhibit "F": a representative sampling of incentive material distributed to the Opponent's retailers located in Quebec, between the months of July and September 2013, to promote sales of the CARAMELLA spread;
- Exhibits "G" and "H": a copy of the press kit of RICARDO Magazine distributed across
 Canada (French and English versions); and a copy of an advertisement for the
 CARAMELLA spread published in Volume 13 Number 1 of the French version of this
 magazine, distributed in over 100,000 copies; and
- Exhibits "I", "J" and "K": various excerpts from the Opponent's websites, representative of the manner in which the CARAMELLA spread has been (and continues to be) described and advertised by the Opponent since at least May 2006.
- [35] In view of all the evidence provided by Ms. Dickens' affidavit, I agree with the Opponent the CARAMELLA mark has become known in Canada, at least to some extent.
- [36] Thereby, my overall assessment of this first factor, which concerns both the inherent distinctiveness and the acquired distinctiveness of the marks in question, favours the Opponent, because the CARAMELLA mark is better known than the Mark.

The period during which the trade-marks have been in use

[37] This factor also favours the Opponent, in view of the evidence of use of the CARAMELLA mark since 1999, established by Ms. Dickens' affidavit, and the absence of evidence of use of the Mark in Canada.

The type of goods and the nature of the trade

- In considering the type of goods and the nature of the trade, I must compare the statement of goods covered by this application with the statement of goods covered by the Opponent's registration [see *Henkel Kommanditgesellschaft auf Aktien v Super Dragon Import Export Inc* (1986), 12 CPR (3d) 110 (FCA); and *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA)]. However, these descriptions must be read so as to determine the likely type of trade of the parties instead of all the possible trades they may include. The evidence of the parties' real trade proves useful in this regard [see *McDonald's Corp v Coffee Hut Stores Ltd* (1996), 68 CPR (3d) 168 (FCA); *Procter & Gamble Inc v Hunter Packaging Ltd* (1999), 2 CPR (4th) 266 (TMOB); and *American Optional Corp v Alcon Pharmaceuticals Ltd* (2000), 5 CPR (4th) 110 (TMOB)].
- [39] The Opponent's product is described as a [French translation] "produit à tartiner à utiliser en cours de cuisson, et en boulangerie et pâtisserie" (a spread for use in cooking and baking), whereas the Applicant's goods consist of cocoa; pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery; chocolate.
- [40] I note in this regard that the Opponent's evidence indicates the CARAMELLA spread can be used to spread on toast, waffles, scones, French toast, cake, etc., and as a topping for desserts, ice cream, etc. [see Exhibits 'C", "D" and "K" to Ms. Dickens' affidavit].
- [41] I also note the Applicant's evidence, introduced through Mr. Gauvin's affidavit, includes under Exhibit RGA-1 [TRANSLATION] "various reproductions of some of the CARAMELIA goods covered by [this] application". Although filed without any other explanation by Mr. Gauvin, these reproductions show the Mark affixed to various product packages, including a "Création Gourmande" (Gourmet Creation) or "gourmandise" (delicacy) in milk chocolate and caramel, "Perles Craquantes" (Crunchy Pearls) and a "chocolat au lait à pâtisser" (*milk chocolate for baking*) 36% cocoa with notes of caramel and salted butter.
- [42] I agree with the Opponent that a certain overlap exists between the goods described as "cocoa" and "chocolate" in this application and the Opponent's spread, in that both can be used in cooking, baking and pastry.

- [43] For the other goods covered by this application, I agree with the Applicant that different goods are involved, especially since the Applicant's various types of "pastry and confectionery" expressly exclude "spreads". The mere fact that sweet food products are involved in all cases in no way changes the very clear distinction that exists between the Applicant's sweets and the Opponent's spread.
- [44] Concerning the nature of the trade of the parties, I agree with the Opponent that in the absence of evidence to the contrary, it cannot be concluded that the marketing voices of all the goods of the parties differ.

The degree of resemblance between the trade-marks in the presentation or sound, or in the ideas they suggest

- [45] As recalled by the Supreme Court in the *Masterpiece* case cited above, in paragraph 49, the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them is the factor that is often likely to have the greatest effect on the confusion analysis and the one that proves decisive in *most* cases [my emphasis].
- [46] Moreover, as previously mentioned, it is well-established in case law that the likelihood of confusion is a matter of first impression and imperfect recollection. In this regard, "[w]hile the marks must be assessed in their entirety (and not dissected for minute examination), it is still possible to focus on particular features of the mark that may have a determinative influence on the public's perception of it." [see *Pink Panther Beauty Corp v United Artists Corp* (1998), 80 CPR (3d) 247 (FCA), at paragraph 34].
- [47] Applying these principles to this case, I agree with the Opponent that great similarities exist between the parties' marks, visually, phonetically and in the ideas suggested by them.
- [48] As indicated above, both are forged from the word "CARAMEL", which constitutes their dominant element. The marks differ by a single letter, the letter "I" in the Mark, replacing the second "L" of CARAMELLA. I agree with the Opponent that in the case at bar, such substitution of the letter "I" for the letter "L" does not result in substantial differences between the marks, whether visually, phonetically or in the ideas suggested by them.

Additional circumstance – State of the register

- [49] The Applicant filed state of the Canadian trade-marks register evidence by way of Ms. Bédard's affidavit.
- [50] Evidence of the state of the register serves to show the common nature or the distinctiveness of a mark or part of a mark in relation to all the marks appearing in the register. The evidence regarding the state of the register is relevant only insofar as one can draw conclusions from it concerning the state of the market, and conclusions regarding the state of the market can only be drawn if a large number of relevant registrations are identified [see *Ports International Ltd v Dunlop Ltd* (1992), 41 CPR (3d) 432 (TMOB); *Welch Foods Inc v Del Monte Corp* (1992), 44 CPR (3d) 205 (FCTD); and *Maximum Nutrition Ltd v Kellogg Salada Canada Inc* (1992), 43 CPR (3d) 349 (FCA)].
- [51] In the case at bar, Ms. Bédard's affidavit apparently had the purpose of filing in evidence: (i) the details of some 70 trade-mark registrations or applications constituted by the word "CARAMEL" combined with other elements [see Exhibits NBE-1 and NBE-2]; (ii) the details of some 19 trade-mark registrations or constituted from the "prefix" "CARAM" combined with other elements [see Exhibits NBE-3 and NBE-4]; and (iii) the details of some 12 trade-mark registrations or applications constituted from the "prefix" "CHOCO" combined with other elements [see Exhibits NBE-5 and NBE-6]. Although the search parameters used by Ms. Bédard are not explained by her, it emerges from the recapitulative tables filed in Exhibits NB-2, NB-4 and NB-6, that all these registrations or applications concern food products.
- [52] During the hearing, the Applicant argued that all the registrations and applications filed in Exhibits NB-2 and NB-4 are relevant in the case at bar to prove the descriptive and commonplace nature of the word "CARAMEL" in relation to food products. It also drew my attention, more specifically, to the following trade-mark registrations:
 - OKARAMEL (reg. TMA775,553 dated August 25, 2010) for caramel and chocolate spreads;
 - CARAMIEL (reg. TMA535,478 dated October 23, 2000) for "honey caramel";

- AH CARAMEL! (reg. TMA444,815 dated June 30, 1995) for snacks and desserts;
- CARAMELLO (reg. TMA210,706 dated November 28, 1975) for chocolate bars;
- CARAMILK (which mark is covered by a series of varied registrations, all in the name of Cadbury UK Limited) for confectionery and chocolate bars.
- [53] The Applicant also argued that a parallel can be drawn in the case at bar between the fact several trade-marks constituted from the word "CARAMEL" or the prefix "CARAM" coexist in the trade-marks register in the name of different owners, and the fact marks constituted from the prefix "CHOCO", similar in appearance although belonging to different owners, also coexist in the register for goods of the same nature, as in the following examples taken from Exhibits NB-5 and NB-6:
 - CHOCONUTTA (reg. TMA331,394 dated August 28, 1987) and CHOCO NUSSA (reg. TMA669,017 dated July 31, 2006);
 - CHOCOLATINA (reg. TMA506,336, expunged on August 21, 2008 in default of renewal) and CHOCOLATINI (reg. TMA780,082 dated October 19, 2010);
 - CHOCORELLA (reg. TMA364,079 dated March 30, 1987) and CHOCORILLOS (reg. TMA592,932 dated October 23, 2003); and
 - CHOCONUX (reg. TMA270,666 dated June 25, 1982) and CHOCOLUX (reg. TMA376,620 dated December 7, 1990).
- The Opponent argues that, among some 70 trade-marks referenced in Exhibits NBE-1 and NBE-2, 45 do not begin with the word "CARAMEL". Of the 25 remaining marks, only 19 include the word "CARAMEL" as a distinct element combined with other words or elements. Moreover, only four of these trade-marks (other than the Mark and the Opponent's CARAMELLA mark) consist of invented words having the word "CARAMEL" as their first portion, i.e.

- CARAMELIZIO (application filed August 27, 2014, advertised in the *Trade-marks Journal*) for various food products, including chocolate-based beverages and preparations;
- CARAMELICIOUS (reg. TMA717,531 dated June 27, 2008) for candies;
- CARAMELIBOU (reg. TMA599,899 dated January 19, 2004) for ice cream; and
- CARAMELLO (reg. TMA210,706 mentioned above by the Applicant).
- [55] The Opponent notes in this regard that the CARAMELIZIO mark is at the application stage and not registered. It submits the three remaining registrations do not constitute a sufficient number to draw negative inferences regarding the preference of the word "CARAMEL" as a trade-mark component in relation to food products on the Canadian market.
- [56] Moreover, the Opponent submits the "CHOCO" marks referenced in Exhibits NBE-5 and NBE-6 are irrelevant in the case at bar, if only due to the fact that none of the marks in question is constituted from the element "CHOCO" or the word "CHOCOLATE".
- [57] Although it is true the majority of the marks referenced in Exhibits NBE-1 and NBE-2 do not consist of invented words with the word "CARAMEL" as their first portion and consequently are not as similar to the CARAMELLA mark as is the Mark, the fact remains they almost all contain the word "CARAMEL" as a component. For example, it is appropriate to note the following registrations:
 - CARAMEL DELIGHT (reg. TMA883,362 dated August 8, 2014) for caramel chocolate bars;
 - CARAMEL HAT TRICK (reg. TMA829,880 dated August 14, 2012) for ice cream;
 - CARAMEL ET MOI (reg. TMA782,970 dated November 22, 2010) for confectionery and desserts;
 - CARAMEL COB (reg. TMA734,828 dated February 19, 2009) for caramel popcorn;

- CARAMEL APPLE BLOSSOM (reg. TMA705,555 dated January 24, 2008) for pastries;
- CARAMEL TWIST (reg. LMC685,569 dated April 5, 2007) for tea and tea bags;
- CARAMEL TREASURES (reg. TMA647,192 dated September 1, 2005) for ice cream bars;
- CARAMEL CRUNCH (reg. TMA636,467 dated March 31, 2005) for cakes;
- CARAMEL WHIRLS (reg. TMA457,697 dated May 24, 1996) for candies;
- CARAMEL CONE EXPLOSION (reg. TMA424,692 dated March 4, 1994) for ice cream; and
- CARAMEL APPLE GRANNY (reg. 415,380 dated August 13, 1993) for pies.
- [58] I agree with the Applicants these registrations are not without relevance in the case at bar. On the contrary, these registrations represent a large enough number to allow inference that at least some of the marks concerned by them are used and that consumers are accustomed to seeing such marks containing the word "CARAMEL" in association with sweet food products on the market. Consequently, they would be more likely to differentiate these marks on the basis of their other elements.
- [59] In my opinion, this reasoning applies both in the presence of trade-marks constituted from the word "CARAMEL" used as a distinct element combined with other words, as in the above-mentioned examples, and in the case of trade-marks constituted from a word forged from all or part of the word "CARAMEL", as in the trade-marks CARAMELICIOUS; CARAMELIBOU; CARAMELLO; OKARAMEL; CARAMIEL; AH CARAMEL!; CARAMILK; or CARAMOONEL (reg. TMA384,586 dated May 17, 1991, in association with a milk-based spread that can also be used as topping see Exhibit NBE-4). In this last case, it is also appropriate to note the relevance of the decision *Park Avenue Furniture Corp v Wickes/Simmons Bedding Ltd* (FCA), [1991] ACF No. 546, 130 NR 223, which recognized that in matters of state of the register analysis, it was sufficient for only seven relevant marks to be

registered to be able to draw conclusions regarding the state of the market [see, to this effect, *Groupe Procycle Inc v Chrysler Group LLC*, 2010 FC 918].

[60] Thus, although I agree with the Opponent that none of the marks referenced in Exhibits NBE-2 and NBE-4 is as similar to the Opponent's CARAMELLA mark as is the Mark, I find the state of the register evidence nonetheless constitutes a relevant additional circumstances favouring the Applicant in the case at bar.

Conclusion - Likelihood of Confusion

- [61] As indicated on page 163 in the *Dion Neckwear* case cited above, the Registrar does not have to be convinced beyond all doubt that there is no likelihood of confusion. Indeed, "[t]he "beyond doubt" standard imposes an insurmountable burden because certainty in matters of likelihood of confusion is rare". [Also see *John Labatt Ltd v Molson Companies Ltd*, supra].
- [62] As further indicated in *Man and His Home Ltd v Mansoor Electronic Ltd* (1999), 87 CPR (3d) 218 (FCTD), at paragraph 14:

It is well established that trade-marks containing words which are suggestive of the wares or services offered by the owner are considered to be weak marks and consequently, are afforded a minimal level of protection. In such cases, even a small difference between the marks will be sufficient to diminish the likelihood of confusion. Furthermore, where a person adopts a word in common use and seeks to prevent competitors from doing the same, the trade-marks will have less inherent distinctiveness and the range of protection granted by the Court will be limited. Finally, where a party chooses to use a suggestive non-distinctive name, regardless of any acquired distinctiveness, it must accept a certain amount of confusion without sanction.

[63] In view of my foregoing analysis, I find the Applicant has proved, according to the balance of probabilities, that with the exception of goods described as "cocoa" and "chocolate" in the statement of goods covered by this application, a consumer with an imperfect recollection of the Opponent's CARAMELLA trade-mark would not be led to conclude the Applicant's goods described as "pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery" come from the same source or are otherwise related to or associated with the Opponent's product.

- [64] As indicated above, neither of the marks of the parties is intrinsically strong. Although the distinctiveness of the Opponent's CARAMELLA trade-mark may have been strengthened by its use and promotion, the evidence of record does not allow me to conclude the Opponent's CARAMELLA mark became known in Canada to such an extent this must eclipse the examination of the other factors or significantly increase the protection to which the Opponent's mark is entitled. The state of the register evidence clearly establishes the word "CARAMEL" is widely used to distinguish food products and that consumers are accustomed to making distinctions between trade-marks containing this word. In the circumstances, the differences existing between the Applicant's goods described as "pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery" and the Opponent's spread, combined with the differences, although minimal, existing between the marks in question, are sufficient to set aside any reasonable likelihood of confusion.
- [65] However, for goods described as "cocoa" and "chocolate", I find the balance of probabilities is equal due to the certain overlap existing between them and the Opponent's product, in that both can be used in cooking, and in baking and pastry. In other words, I find the differences existing between the marks in question are insufficient to counterbalance the overlap that exists regarding the nature of the parties' goods.
- [66] Consequently, I partially accept the ground of opposition based on the non-registrability of the Mark, concerning the goods described as "cocoa" and "chocolate", and reject it with regard to the balance of the goods described as "pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery".

Non-entitlement to Registration

- [67] The Opponent argues that the Applicant is not the person entitled to registration of the Mark under section 12(2)(a) of the Act, , because on the filing date of the application, the Mark was confusing with the CARAMELLA mark previously used and made known in Canada by the Opponent.
- [68] To discharge its initial burden regarding Section 16(2)(a) of the Act, the Opponent must prove that its CARAMELLA trade-mark had been used in Canada previous to the date of filing

of this application (i.e. in the case at bar, the priority filing date of August 17, 2012) and had not been discontinued on the date of its announcement in the *Trade-marks Journal*, [Section 16(5) of the Act]. As it emerges from my foregoing review of Ms. Dickens' affidavit, this initial burden was satisfied in the case at bar.

- [69] The difference between the relevant dates really has no impact on my preceding analysis regarding the ground of opposition based on the non-registrability of the Mark under section 12(1)(d) of the Act.
- [70] Consequently, I partially accept the ground of opposition based on the non-entitlement to registration of the Mark, concerning the goods described as "cocoa" and "chocolate", and reject it with regard to the balance of the goods described as "pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery".

Non-distinctiveness of the Mark

- [71] The Opponent alleges the Mark is not distinctive within the meaning of section 2 of the Act, nor adapted to distinguish the Applicant's Goods from those of the Opponent used in association with its CARAMELLA trade-mark, due to the confusion created with it.
- [72] To discharge its initial burden in regard to non-distinctiveness, the Opponent must show that its CARAMELLA trade-mark had become sufficiently known in Canada on the date of the statement of opposition, such as to deny the distinctiveness of the Mark [see *Motel 6, Inc v No 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD); and *Bojangles' International LLC and Bojangles Restaurants Inc v Bojangles Café Ltd* (2006), 48 CPR (4th) 427 (FCTD)]. This initial burden was satisfied in the case at bar.
- [73] The difference between the relevant dates really has no impact on my preceding analysis regarding the ground of opposition based on the non-registrability of the Mark under section 12(1)(d) of the Act.
- [74] Consequently, I partially accept the ground of opposition based on non-distinctiveness, concerning the goods described as "cocoa" and "chocolate", and reject it with regard to the

balance of the goods described as "pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery".

Decision

[75] Under the powers delegated to me under section 63(3) of the Act, I refuse the application regarding the portion of the goods described as "cocoa" and "chocolate", and I reject the Opposition concerning the goods described as "pastry, and confectionery, excluding spreads, namely sweet confectionery, chocolate confectionery, caramel confectionery", in application of section 38(8) of the Act [on the question of split decisions, see *Produits Ménagers Coronet Inc v Coronet-Werke Heinrich Schlerf Gmbh* (1986), 10 CPR (3d) 492 (FCTD)].

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

Certified true translation Arnold Bennett

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