



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2020 TMOB 145

Date of Decision: 2020-12-28

IN THE MATTER OF AN OPPOSITION

**Amann Co., Ltd., Amann USA Inc.,
Shanghai Jie Bing Restaurant
Management Co. Ltd. and Snowy
Dessert Inc.** **Opponents**

and

Snowy Village Dessert Cafe Ltd. **Applicant**

1,787,626 for SNOWY VILLAGE **Application**

INTRODUCTION

[1] Amann Co., Ltd., Amann USA Inc., Shanghai Jie Bing Restaurant Management Co. Ltd. and Snowy Dessert Inc. (referred to collectively as the Opponent) oppose registration of the trademark SNOWY VILLAGE (the Mark), which is the subject of application No. 1,787,626 filed by Snowy Village Dessert Cafe Ltd. (the Applicant) in association with:

Goods:

- (1) Gift cards; paper bags; paper napkins
- (2) Textile shopping bags

(3) Coffee, tea, bread, pastries, confectionery, namely pastry confectionery, and frozen desserts.

(4) Frozen dairy-based deserts

Services:

(1) Cafe-restaurants

[2] The use of the term “Goods” in this decision refers collectively to the goods stated in (1) through (4) above, otherwise individually referred to as “Goods (1)”, “Goods (2)”, “Goods (3)” and “Goods (4)” respectively.

[3] The application claims use of the Mark in Canada since at least as early as August 31, 2015 in association with Goods (3) and (4) and Services, and proposed use of the Mark in Canada in association with Goods (1) and (2).

[4] For the reasons that follow, the application is refused in part.

THE RECORD

[5] The application for the Mark was filed on June 17, 2016 and advertised for opposition purposes in the *Trademarks Journal* on August 16, 2017. On January 16, 2018, the Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). All references herein are to the Act as amended on June 17, 2019, with the exception of references to the grounds of opposition which refer to the Act before it was amended [see section 70 of the Act, which provides that section 38(2) of the Act, as it read prior to June 17, 2019, applies to applications advertised before that date].

[6] The Opponent raises grounds of opposition based upon non-compliance with section 30; non-entitlement under section 16; and non-distinctiveness under section 2 of the Act, as detailed in Schedule A herein.

[7] On February 14, 2018, the Applicant filed and served a counter statement denying the grounds of opposition pleaded in the statement of opposition.

[8] In support of its opposition, the Opponent filed the affidavit of Zheng Guan, director of Snowy Dessert Inc., sworn May 29, 2018 along with Exhibits A-G thereto (the Guan affidavit) and the affidavit of Jason Sungjin Lee, Chief Executive Officer of Amann USA Inc., sworn June 1, 2018 along with Exhibits A-U thereto (the Lee affidavit). The affiants were not cross-examined.

[9] In support of its application, the Applicant filed the affidavit of its sole director, Ayoung Jo, sworn October 2, 2018 through Susan Ritchie (an interpreter for English and Korean) with Exhibits A-O thereto (the Jo affidavit). The affiant was not cross-examined.

[10] Both parties filed written arguments and no hearing was held.

ONUS AND MATERIAL DATES

[11] 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 [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD)]. If this burden is met, the Applicant then bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act.

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

- Sections 38(2)(a) and 30 of the Act – the filing date of the application, namely, June 17, 2016 [*Georgia-Pacific Corporation v Scott Paper Ltd* (1984), 3 CPR (3d) 469 at 475 (TMOB)].
- Sections 38(2)(c) and 16(1) of the Act – the date of use claimed in the application, namely, August 31, 2015 [section 16(1) of the Act]. However, if this date of first use is successfully challenged, the material date becomes the filing date of the application [*Everything for a Dollar Store (Canada) Inc v Dollar Plus Bargain Centre Ltd* (1998), 86 CPR (3d) 269 (TMOB)].

- Sections 38(2)(c) and 16(3) of the Act – the filing date of the application, namely, June 17, 2016 [section 16(3) of the Act].
- Sections 38(2)(d) and 2 of the Act – the filing date of the opposition, namely, January 16, 2018 [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc* (2004), 34 CPR (4th) 317 (FC)].

ANALYSIS

Section 30(a)

[13] The Opponent submits that, contrary to section 30(a) of the Act, the Goods (4) contained in the application for the Mark are not described in ordinary commercial terms. In particular, as the terms “desert” and “dessert” have different meanings, the Opponent contends that it is “unclear what a ‘frozen dairy-based desert’ is”. I disagree. In reading the Goods (4) description as a whole, I am satisfied that the Applicant’s inclusion of the term “desert” in the statement of Goods was as it submits a typographical error, was clearly intended to be a reference to the term “dessert” and would be readily understood as such. I am not prepared to find that the application for the Mark fails to comply with the requirements of section 30(a) the Act simply due to this typographical error. Accordingly, this ground of opposition is rejected.

Section 30(b)

[14] Section 30(b) of the Act requires that there be continuous use of the Mark, in the normal course of trade, from the date claimed (August 31, 2015) to the filing date of the application (June 17, 2016) [*Labatt Brewing Co v Benson & Hedges (Canada) Ltd* (1996), 67 CPR (3d) 258 (FCTD) at 262]. The definition of “use” is outlined in section 4 of the Act, the relevant portion of which is reproduced below:

4(1) A trademark 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.

(2) A trademark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[15] The initial burden on the Opponent is light respecting the issue of non-conformity with section 30(b) of the Act, as the facts regarding the Applicant's first use are particularly within the knowledge of the Applicant [*Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (3d) 84 (TMOB)]. This burden can be met by reference not only to the Opponent's evidence but also to the Applicant's evidence [*Labatt Brewing Company Limited v Molson Breweries, a Partnership* (1996), 68 CPR (3d) 216 (FCTD)]. The Opponent may so rely on the Applicant's evidence to meet its initial burden, if it shows that the Applicant's evidence puts into issue the claims set forth in the Applicant's application [*Corporativo de Marcas GJB, SA de CV v Bacardi & Company Ltd*, 2014 FC 323 at paras 30-38].

[16] In support of its section 30(b) ground of opposition, the Opponent relies on a combination of its own evidence (the Lee affidavit) and the Applicant's evidence (the Jo affidavit). Specifically, the Opponent submits that the opening of the Applicant's first business location occurred in December 2015 [Lee affidavit, Exhibit U; Jo affidavit, para 15] and that no evidence was adduced with respect to use of the Applicant's Goods (3) and (4) or of its Services as of the claimed date of first use.

[17] In support of the Applicant's claimed date of first use, Ms. Jo states that:

- The Applicant has continuously used the Mark in association with the Services in Canada since before the claimed date of first use. [para 11]
- Between August 8-15, 2015, storefront and window signage showing the Mark, as well as temporary "coming soon" signage, was installed at the Applicant's first business location in Richmond, British Columbia. [paras 8, 12-13, Exhibits C-D showing "the sign and window designs"]

I note that the Opponent takes issue with Ms. Jo's statement appearing in paragraph 13 and the contents of Exhibit D, arguing this evidence is inadmissible hearsay. However, I do not believe it is necessary to settle this issue in light of my comments below.

- The grand opening of the Applicant’s first business location was in December 2015. [para 15]
- Prior to December 2015, the Applicant hosted events, and was available to host events, for friends, family, general public and potential investors at its first business location in Richmond wherein samples of all its menu items, including the Goods, were provided. The purpose of these events was to develop a market for the Goods and Services. [para 16, Exhibit E showing “photographs taken some time from October 2015[-]December 2015 from one of the events [the Applicant] hosted”]
- The Applicant’s “revenue from the sale of [g]oods” at its location in Richmond, British Columbia was approximately \$700,000 between November 2015-October 2016 and \$650,000 between November 2016-October 2017. Of these amounts, approximately 78% of the goods sold were dairy and non-dairy based frozen desserts; 20% were bread, pastries, and confectionery; and 2% were coffee and tea. [para 27]

[18] Ms. Jo clearly states in her affidavit that the Applicant opened its first business location in December 2015 [Jo affidavit, para 15], which is more than three months after its claimed date of first use. In view of this admission, and in the absence of evidence actually showing use of the Mark with any of the Goods or Services as of or before August 31, 2015, I am satisfied that the Opponent has sufficiently put into issue the Applicant’s claims of use of the Mark in association with Goods (3) and (4) and the Services. The Opponent having met its light initial evidential burden with respect to this ground of opposition, the onus shifts to the Applicant to demonstrate on a balance of probabilities that its application for the Mark conforms with the provisions of section 30(b) of the Act.

[19] In my view, the evidence of record is insufficient to support the date of first use claimed in the application for the Mark. Specifically, with respect to use of the Mark in association with Goods (3) and (4), the Applicant has not provided any evidence of use within the meaning of section 4(1) of the Act. Except where she provides figures for the Applicant’s Richmond location [Jo affidavit, para 27], Ms. Jo’s evidence is devoid of specific assertions of use with respect to Goods (3) or (4). Ms. Jo provides no labels, packages, invoices or clear examples showing how the Applicant displays the Mark in connection with any of the Goods. In addition, while she

asserts that samples of the Applicant's menu items were distributed at promotional events, as will be further discussed below, Ms. Jo provides no documentation to substantiate that such events took place on or before the August 31, 2015 date claimed in the application. The earliest evidence of such events was October 2015.

[20] With respect to use of the Mark in association with services, it has been established that as long as services are available to be performed in Canada, that is sufficient to meet the requirements of section 4(2) of the Act, if the Mark is used or displayed in their advertising [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)]. However, in view of Ms. Jo's evidence, I am unable to find that the Applicant was available to perform café-restaurant services as of the claimed date of first use. Ms. Jo makes no clear statements in this regard. In fact, while her evidence speaks to the Applicant's availability to promote the Services at market testing events sometime in the fall of 2015, Ms. Jo fails to specify the exact date from which it was available to do so. The earliest evidence of such events being hosted only dates from October 2015 and it is questionable if it even establishes how the Mark may have been used or displayed on this occasion. In my view, it is also questionable if the Applicant's sole readiness to host promotional events for the Services necessarily equates to its readiness to offer or preparedness to perform said Services. Nevertheless, even if I were to accept that exterior signage was present since August 15, 2015 and to assume that the event held in October 2015 constituted use of the Mark in association with the Services, it remains that there is no evidence to show that the Applicant was willing and able to perform the Services as of August 31, 2015.

[21] Accordingly, the section 30(b) ground of opposition succeeds with respect to Goods (3) and (4) and with respect to Services. I note that I may have found differently with respect to Services had the Applicant provided clear statements and documentary evidence regarding its normal business practices, promotional events held between August-October 2015 and its availability to perform Services.

Section 30(e)

[22] The Opponent did not file any evidence or make any submissions in support of the section 30(e) ground of opposition. Accordingly, this ground is rejected for the Opponent's failure to meet its evidential burden.

Section 30(i)

[23] Section 30(i) of the Act requires that an applicant include a statement in its application that it is satisfied that it is entitled to use its trademark. Where this statement has been provided, a section 30(i) ground should only succeed in exceptional cases, such as where there is evidence of bad faith [*Sapodilla Co Ltd v Bristol Myers Co* (1974), 15 CPR (2d) 152 (TMOB)] or of the existence of a contractual relationship which would be breached by the registration of the trademark [*AFD China Intellectual Property Law Office v AFD China Intellectual Property Law (USA) Office, Inc*, 2017 TMOB 30].

[24] The Opponent submits that the application for the Mark was filed in bad faith in view of: (1) the Applicant's prior relationship with Amann Co., Ltd.; (2) the Applicant's ensuing awareness of the Opponent's trademarks, rights to its trademarks and intention to expand its business into Canada; and (3) the Opponents' making known of one or more of its trademarks in Canada.

[25] While it seems more likely than not that the Applicant knew of the Opponent's restaurants and/or trademarks abroad, mere knowledge of the existence of an opponent's trademarks or trade names does not in and of itself support the allegation that an applicant could not have been satisfied of its entitlement to use its mark [*Woot, Inc v WootRestaurants Inc Les Restaurants Woot Inc*, 2012 TMOB 197]. Mere awareness of an opponent's prior rights also does not preclude an applicant from truthfully providing the statement required by section 30(i) of the Act [*Effigi Inc v ZAM Urban Dynamics Inc*, 2010 TMOB 214; *Bousquet v Barmish Inc* (1991), 37 CPR (3d) 516 (FCTD), affirmed (1993), 46 CPR (3d) 510 (FCA)]. Even applying to register a trademark in Canada while knowing that it has been used in another country does not in and of itself constitute bad faith [*Taverniti SARL v DGGM Bitton Holdings Inc* (1986), 8 CPR (3d) 400

(TMOB) at 404-405; *Viper Room Development, LLC v 672661 Alberta Ltd*, 2014 TMOB 201 at para 4; *Restaurant Development Group LLC v Vescio Group Inc*, 2016 TMOB 82 at para 43].

[26] With respect to this ground, the Opponent’s evidence is that:

- It is the owner of the trademarks included in the table below.

Trade-mark	Jurisdiction	Registration No. or Application No.
눈내리는 마을	South Korea	Reg. No. 41-0401643-0000
눈내리는 마을	South Korea	Reg. No. 40-1299032-0000
SNOWY VILLAGE	South Korea	App. No. 40-2016-0085682
SNOWY VILLAGE	South Korea	App. No. 40-2016-0085679
SNOWY VILLAGE	Japan	App. No. 2017126079
下雪的村庄	People’s Republic of China	Reg. No. 14833346
눈내리는 마을	People’s Republic of China	Reg. No. 15512921

[Lee affidavit, paras 8-37, Exhibits A-N; Guan affidavit, para 8]

- The Korean and Chinese characters in the Opponent’s trademarks above can translate to “Snowy Village” in English. [Lee affidavit, paras 9, 26 and 33; Guan affidavit, paras 9-10]
- “[Amann Co., Ltd.] is in the business of operating restaurants and cafés (the ‘Business’)”. “One of the principal and more popular dessert items of [its] Business is a dessert made of shaved ice and red bean that is served in a bowl”. [Lee affidavit, para 39; Guan affidavit, paras 6, 7]

- “[Amann Co., Ltd.] expands its Business by engaging potential exclusive licensees in different jurisdictions around the world”. [Lee affidavit, para 43]
- “[I]n and around July 2015” Amann Co., Ltd. commenced discussions with Ayoung Jo regarding Ms. Jo’s “interest in becoming [Amann Co., Ltd.’s] exclusive licensee”. [Lee affidavit, para 48]
- “On or around July 31, 2015”, the Applicant was incorporated. [Lee affidavit, para 49, Exhibit P]
- “[I]n or around mid-August 2015”, Amann Co., Ltd. and Ms. Jo exchanged on a draft franchise agreement, although no final agreement was ever reached. [Lee affidavit, paras 50-52, Exhibit Q]

[27] The Applicant, taking issue with Mr. Lee’s evidence of negotiations, submits that it is inadmissible hearsay given that Mr. Lee does not state that he was present during the alleged negotiations, nor does he specifically identify anyone within Amann Co., Ltd. who was involved in these discussions. The Applicant further contends that the Opponent has no trademark rights in Canada that it could license and that in any event, the Applicant never entered into any agreement with the Opponent.

[28] It is questionable whether Mr. Lee was the most appropriate choice of individual to submit evidence of the parties’ alleged negotiations. Mr. Lee’s statements are made on the basis of his personal knowledge, “unless stated to be made on information or belief” or are obtained from Amann USA Inc. and Amann Co., Ltd.’s files and records [para 7]. However, I note that Mr. Lee does not specifically state that he has consulted these files and records. Further, it does not inevitably follow that, in his position at Amann USA Inc. [para 1] also in charge of overseeing and managing the North American operations of Amann Co., Ltd. [para 4], Mr. Lee would have been personally involved in or acquired direct knowledge of such negotiations. In any event, I do not believe it is necessary to settle this issue in light of my comments below.

[29] First, the Opponent's evidence here fails to establish that any of its SNOWY VILLAGE trademarks were used, made known or had acquired a reputation in Canada as of the material date, such that the Applicant could not have stated it was entitled to use its Mark.

[30] Second, even assuming that the parties were involved in licensing and/or franchising negotiations, there are gaps in Mr. Lee's evidence that make it difficult to ascertain the extent of the negotiations that may have taken place. In fact, Mr. Lee does not indicate who within the Opponent's organizations took part in the alleged exchanges with a view to the Applicant becoming Amann Co. Ltd.'s exclusive licensee. Mr. Lee does not provide evidence of the referenced draft agreement actually being exchanged at any time (there is no reference to any communication trail or to postage/shipping details in this respect) and he does not specifically indicate who marked up the agreement (the provided translation does not identify whose initials appear next to the markups). It is also far from clear that this agreement was meant to confer an exclusive license of the Opponent's foreign trademarks in Canada. The document contains no mention of the Opponent's foreign trademark registrations, no mention of exclusive rights, no clear territorial limitation and no indication as to what the two references to a "trademark, trade name and business secret" it contains may designate. Moreover, while I note that the wording "Snowy Village" appears in the introductory paragraph of the agreement and at the top right corner of each page, it is never referred to or specifically defined as a trademark or trade name. Therefore, hearsay or not, I find Mr. Lee's evidence of negotiations and a draft agreement to be of little assistance to the Opponent.

[31] As a result, I am not satisfied that the Opponent has adduced sufficient evidence with respect to its allegation of bad faith.

[32] The Opponent has also failed to meet its initial evidential burden with respect to its allegation that the Applicant could not be satisfied it was entitled to use the Mark in view of a combination of section 30(i) with sections 7(b) and (c) of the Act. For one thing, the Opponent has not demonstrated any enforceable trademark rights in Canada, for example, by showing that its marks have been used, made known, or otherwise acquired a reputation in Canada [*Kirkbi AG v Ritvik Holdings Inc*, 2003 FCA 297]. The Opponent also had to file evidence in support of the three requisite elements of a passing off action: (1) the existence of goodwill; (2) deception of

the public due to a misrepresentation; and (3) actual or potential damage [*Ciba-Geigy Canada Ltd v Apotex Inc*, [1992] 3 SCR 120 at 132 cited by *Pharmacommunications Holdings Inc v Avencia International Inc*, 2008 FC 828 at para 41], which it has not done.

[33] Accordingly, the section 30(i) ground of opposition is rejected in its entirety.

Sections 16(1)(a) and 16(3)(a)

[34] To meet its evidential burden in respect of these grounds, the Opponent must show that any one of its relied upon trademarks, which it asserts have been used outside of Canada, was made known in Canada prior to June 17, 2016 and had not been abandoned as of August 16, 2017, the date of advertisement of the application.

[35] The definition of made known is outlined in section 5 of the Act, reproduced below:

When deemed to be made known

5 A trademark is deemed to be made known in Canada by a person only if it is used by that person in a country of the Union, other than Canada, in association with goods or services, and

(a) the goods are distributed in association with it in Canada, or

(b) the goods or services are advertised in association with it in

(i) any printed publication circulated in Canada in the ordinary course of commerce among potential dealers in or users of the goods or services, or

(ii) radio broadcasts ordinarily received in Canada by potential dealers in or users of the goods or services,

and it has become well known in Canada by reason of the distribution or advertising.

[36] The Opponent's evidence fails to demonstrate that its trademarks were made known in Canada in accordance with the requirements of section 5. First, the evidence does not clearly establish use of the Opponent's trademarks in a country of the Union. Both Mr. Lee and Mr. Guan provide little information on the Opponent's trademark use abroad and their respective assertions that Amann Co., Ltd. has operated its Business, as associated with one or more of the Opponent's relied upon trademarks (be it through itself or exclusive licensees), in South Korea and in the People's Republic of China [Lee affidavit, paras 40, 42; Guan affidavit, para 6] are not supported by the evidence on file. Further, there is no evidence of distribution or advertising of

the Opponent's relied upon marks in Canada as of the material date. Lastly, I cannot subscribe to the Opponent's argument that the "making known" of the Opponent's relied upon marks directly to Ms. Jo through the parties' alleged negotiations constitutes an alternate circumstance or condition according to which such marks can be deemed to have been made known in Canada. Even if the referred to negotiations had been satisfactorily evidenced, it remains that a trademark must be known in a substantial area of Canada, by reason of its distribution or advertising, to be considered "well known" within the meaning of section 5 of the Act [*Valle's Steak House v Tessier* (1980), 49 CPR (2d) 218 (FCTD); *Motel 6, Inc v No. 6 Motel Ltd* (1981), 56 CPR (2d) 44 (FCTD)]. Accordingly, these grounds of opposition are rejected.

Section 2

[37] The non-distinctiveness ground of opposition is two-pronged. The Opponent alleges that the Mark does not distinguish, is not adapted to distinguish, nor is it capable of distinguishing the Applicant's Goods and Services from the goods, services and businesses of: (1) Amann Co., Ltd., and its licensees under the SNOWY VILLAGE trademarks referred to above which have been made known or have become known and have a reputation, goodwill, or both in Canada as a result of their use in South Korea and China; and (2) Snowy Dessert Inc., under the SNOWY DESSERT trademark and trade name.

[38] To meet its evidential burden, the Opponent must show that any one of its trademarks or trade names had become known sufficiently in Canada so as to negate the distinctiveness of the Mark, as of January 16, 2018 [*Motel 6, Inc; Bojangles' International LLC v Bojangles Café Ltd* (2004), 40 CPR (4th) 553 (TMOB), affirmed, (2006), 48 CPR (4th) 427 (FCTD)]. In this respect, it has to establish that its marks or names were either known in Canada to some extent at least (*i.e.* that they had developed a reputation that was "substantial, significant or sufficient"), or were well known in a specific area of Canada [*Bojangles'*]. However, the term "reputation" here connotes more than mere knowledge: the Opponent's marks or names must be known to consumers, as indicators of source [*Scott Paper Ltd v Georgia-Pacific Consumer Products LP* (2010) 83 CPR (4th) 273 (FC); *1648074 Ontario Inc v Akbar Brothers (PVT) Ltd*, 2019 FC 1305; *Domaines Pinnacle Inc v Les Vergers de la Colline Inc* 2014 TMOB 110, affirmed, 2016 FC 188].

[39] As there is no evidence showing that the Opponent's SNOWY VILLAGE marks abroad have become known to Canadian consumers, the first prong of this ground of opposition is rejected for the Opponent's failure to meet its initial evidential burden.

[40] The second prong of this ground of opposition is also rejected for the Opponent's failure to meet its evidential burden. The Opponent, in para 94 of its written argument, submits that its SNOWY DESSERT trademark "has gained substantial reputation and goodwill". In this respect, Mr. Guan's asserts that the SNOWY DESSERT restaurant opened by Snowy Dessert Inc. "[i]n or around July 2017" "has become well known in at least Edmonton, Alberta" [Guan affidavit, paras 13-14] and provides three Internet articles published between July 20-August 27, 2017 [Guan affidavit, paras 16-18, Exhibits A-C], Internet restaurant reviews [Guan affidavit, paras 19-20, Exhibits D, E] and a printout from the homepage of Snowy Dessert Inc.'s website at *www.snowydessert.ca* [Guan affidavit, para 21, Exhibit F].

[41] Considering that Mr. Guan provides no sales or advertising figures whatsoever pertaining to the Opponent's SNOWY DESSERT restaurant, nor any details on the manner in which it is promoted, that there is no indication of the number of Canadian visitors to the *www.snowydessert.ca* website and given the lack of information on the number of consumers that may have been exposed to the few relevant publications circulated over the Internet, I am unable to determine the extent to which the Opponent's SNOWY DESSERT trademark and trade name would have become known in Canada, let alone in Edmonton, Alberta, as of the material date for assessing this ground of opposition.

[42] Accordingly, the section 2 ground of opposition is rejected in its entirety.

DISPOSITION

[43] Considering that the Opponent was partially successful with its ground of opposition based on section 30(b) of the Act, pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application with respect to Goods (3), (4) and the Services and I reject the opposition with respect to Goods (1) and (2), all pursuant to section 38(12) of the Act.

Iana Alexova
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

SCHEDULE A

Excerpts from the statement of opposition

[...]

26. The grounds of opposition are as follows:

- (a) The Opponents rely on Section 38(2)(a) of the *Trade-marks Act* (the “Act”) on the basis that the Application does not conform to the requirements of Section 30 of the Act. The Application does not comply with the provisions of Section 30(a) of the Act in that Applicant’s Goods (4) therein (*i.e.* “frozen dairy-based deserts”) are not described in ordinary commercial terms.
- (b) The Opponents rely on Section 38(2)(a) of the Act on the basis that the Application does not conform to the requirements of Section 30 of the Act. The Application does not comply with the provisions of Section 30(b) of the Act in that the Applicant had not used, within the meaning of Section 4 of the Act, the Trade Mark in association with Applicant’s Services, Applicant’s Goods (3), and Applicant’s Goods (4) identified in the Application since the date of first use claimed in the Application, namely, August 31, 2015.
- (c) The Opponents rely on Section 38(2)(a) of the Act on the basis that the Application does not conform to the requirements of Section 30 of the Act. The Application does not comply with the provisions of Section 30(e) of the Act in that the Applicant, by itself or through a licensee, or by itself and through a licensee, did not intend to use, within the meaning of Section 4 of the Act, as a trade -mark within the meaning of Section 2 of the Act, the Trade Mark in Canada in association with Applicant’s Goods (1) and Applicant’s Goods (2) identified in the Application.
- (d) The Opponents rely on Section 38(2)(a) of the Act on the basis that the Application does not conform to the requirements of Section 30 of the Act. The Applicant could not have been satisfied that it was entitled to use the Trade Mark in Canada in association with the goods and services described in the Application in accordance with Section 30(i) of the Act, notwithstanding the statement in the Application. The Applicant, at the time of filing the Application, and at all other material dates and times relevant to this ground of opposition, was aware or reasonably ought to have been aware that:
 - (i) the Opponent, Amann Co., Ltd., had a *bona fide* intention to expand its business operations into Canada under one or more of the Opponent’s Trade Marks, either by itself or through a licensee, and continues to intend to do so;
 - (ii) Ayoung Jo (the incorporator of the Applicant) and Amann Co., Ltd. were previously engaged in trade-mark licensing discussions (*i.e.* the Negotiations)

related to the use of any one or all of the Opponent's Trade Marks in Canada under license from the Opponent, Amann Co. Ltd.;

- (iii) at no time, and neither before, during, nor after the Negotiations, did the Opponent, Amann Co., Ltd., give, transfer, assign, or license any right, title, or interest in, to, or associated with any of the Opponent's Trade Marks in association with the Opponent's Goods and Services to Ayoung Jo or any party related thereto; or
- (iv) Amann Co., Ltd., had made known one or more of the Opponent's Trade Marks in Canada in association with the Opponent's Goods and Services.

Consequently, the Applicant knew or reasonably should have known that it was not the owner of any of the Opponent's Trade Marks or the Trade Mark, and that it was not and is not entitled to use any of the Opponent's Trade Marks or the Trade Mark in Canada in association with the goods and services described in the Application, except under license from the Opponent, Amann Co., Ltd., which it does not have. Therefore, the Applicant submitted the Application in "bad faith".

In addition, the Applicant knew or reasonably should have known that any use of the Trade Mark in Canada by the Applicant in association with the goods and services described in the Application would be reasonably likely to: (i) cause confusion with any of the Opponent's Trade Marks contrary to Section 7(b) of the Act; (ii) be an act of passing off contrary to Section 7(c) of the Act; or (iii) both (i) and (ii) above.

- (e) The Applicant is not the person entitled to registration of the Trade Mark and the Opponent relies on Section 38(2)(c) and Section 16(1)(a) of the Act. The Applicant is not the person entitled to registration of the Trade Mark because at the date of first use claimed in the Application, and at all other dates and times relevant to this ground of opposition, and in association with Applicant's Services, Applicant's Goods (3), and Applicant's Goods (4) therein, the Trade Mark was confusing with one or more of the Opponent's Trade Marks, which had been made known in Canada, including at least British Columbia, in association with the same or similar goods and services listed in the Application. The Opponent, Amann Co., Ltd., has continued to make known the Opponent's Trade Marks in Canada, including at least British Columbia, since then, and has not abandoned any of the Opponent's Trade Marks.
- (f) The Applicant is not the person entitled to registration of the Trade Mark and the Opponent relies on Section 38(2)(c) and Section 16(3)(a) of the Act. The Applicant is not the person entitled to registration of the Trade Mark because at the date that the Applicant filed the Application, and at all other dates and times relevant to this ground of opposition, and in association with Applicant's Goods (1) and Applicant's Goods (2) therein, the Trade Mark was confusing with one or more of the Opponent's Trade Marks, which had been previously made known in Canada,

including at least British Columbia, in association with the same or similar goods and services listed in the Application. The Opponent, Amann Co., Ltd., has continued to make known the Opponent's Trade Marks in Canada, including at least British Columbia, since then, and has not abandoned any of the Opponent's Trade Marks.

- (g) The Trade Mark is not and cannot be distinctive, within the meaning of Section 2 of the Act, by reason of the fact that the Trade Mark does not actually distinguish, is not adapted to distinguish, and is not capable of distinguishing the Applicant's goods and services from the goods, services, and businesses of others including:
 - (i) the goods, services, and businesses of the Opponent, Amann Co., Ltd., and its licensees, including the operation of the Opponent's Snowy Village Restaurants, and the use of the Opponent's Trade Marks in association with the Opponent's Goods and Services, including the sale of bingsoo, which have been made known or have otherwise become known and have a reputation, goodwill, or both in Canada as a result of their extensive use in South Korea and China; and
 - (ii) the goods, services, and business of the Opponent, Snowy Dessert Inc., under the trade-mark SNOWY DESSERT and under the trade name Snowy Dessert, including the sale of bingsoo.

[...]

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

No Hearing Held

AGENTS OF RECORD

MCMILLAN LLP

For the Opponents

BRYAN F. MCLEAN
(BRANCH MACMASTER LLP)

For the Applicant