

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

Citation: 2021 TMOB 62

Date of Decision: 2021-03-31

#### IN THE MATTER OF AN OPPOSITION

AKBAR BROTHERS (PVT) LTD.

**Opponent** 

and

1648074 Ontario Inc.

**Applicant** 

1,609,580 for DO GHAZAL & Design

**Application** 

- [1] This is a redetermination by the Registrar of Trademarks, by order of the Federal Court [1648074 Ontario Inc. v Akbar Brothers (pvt) Ltd., 2019 FC 1305] involving grounds of opposition based on sections 12(1)(d), 30(i) and 16(3) of the Trademarks Act, RSC 1985, c T-13 (the Act).
- [2] With respect to the section 30(i) ground of opposition, I find that 1648074 Ontario Inc. (the Applicant) has failed to prove that it was satisfied that it was entitled to use the trademark DO GHAZAL & Design set out below (the Mark) as of the filing date of the application. As such, the application is refused.



#### HISTORY

## The Application

- [3] On January 11, 2013, the Applicant filed an application for the Mark with the following Goods based on its use of the Mark in Canada since May 1, 2009 on goods (1) and its proposed use of the Mark in Canada on goods (2).
  - (1) Tea leaves and tea bags.
  - (2) Dried fruits namely mulberries, apricots and nuts namely almonds, walnuts, hazel nuts, pistachios and cashews and food products namely rice, oil, pickles and spices.

The application provides the transliteration of the foreign characters as DO GHAZAL and the translation of DO GHAZAL as "two sellers of cotton yarns".

## The Opposition

- [4] On September 9, 2014, AKBAR BROTHERS (PVT) LTD. (the Opponent) opposed the application on the following grounds:
  - (a) The Applicant did not use the Mark in Canada with Goods (1) and did not intend to use the Mark in Canada with Goods (2) (statement of opposition paragraphs 2(a)(i)-(iii)).
  - (b) Contrary to section 30(i) of the Act, the Applicant should have been aware of the Opponent's trademark ALGHAZELEEN TEA (DESIGN) and use of the trademark by the Opponent and could not have been satisfied that it was entitled to use the Mark in Canada. The Opponent is Sri Lanka's largest exporter and Alghazaleen tea has been voted best Sri Lankan tea brand. Alghazaleen tea, also known as Do Ghazal tea (meaning two deer) is a brand of Ceylon tea grown and packed in Sri Lanka. The Opponent has used the trademark ALGHAZLEEN TEA (DESIGN) in Canada for over ten years.
  - (c) Contrary to section 30(i) of the Act, the Applicant should have been aware of the Opponent's trademark ALGHAZALEEN TEA (DESIGN) and use of the

trademark by the Opponent and could not have been satisfied that it was entitled to use the Mark in Canada. The Applicant incorrectly informed the Trademarks Office that "do ghazal" means "two sellers of cotton yarns" while it should have known that "do ghazal" means "two deer". The Applicant should have been aware that the translation of "Alghazaleen" is also "two deer". The Applicant deliberately attempted to provide an incorrect translation in an effort to obtain registration of its trademark.

- (d) Contrary to section 12(1)(d) of the Act, the Mark is confusing with the Opponent's trademark registration No. TMA594,177 for ALGHAZALEEN TEA (DESIGN). The translation of ALGHAZALEEN is "two deer" and the translation of DO GHAZAL is "two deer".
- (e) The Applicant is not the person entitled to registration of the trademark in accordance with section 16(3)(a) of the Act as the Mark was confusing with the Opponent's trademark ALGHAZALEEN TEA (DESIGN) which had been previously used or made known in Canada.
- (f) The Mark is not and was not either distinctive or capable of distinguishing the goods of the Applicant from the goods of the Opponent.

### The Opposition Decision

- [5] The Registrar of Trademarks rejected the grounds of opposition raised with respect to sections 30(a), which appears to have been mistakenly identified in the statement of opposition, and 30(b) of the Act both which alleged issues with the Applicant's proposed use and use claims.
- [6] With respect to the grounds of opposition alleging confusion, the Registrar found that the Mark was not distinctive on the basis of the use of the Opponent's DO GHAZAL & Design trademark. In view of its finding of confusion with the Opponent's DO GHAZAL & Design trademark, the Registrar chose not to address the likelihood of confusion with the Opponent's registered ALGHAZALEEN TEA & Design trademark or the grounds of opposition based on section 30(i) of the Act. The opposition decision *Akbar Brothers (Pvt) Ltd. v 1648074 Ontario*

*Inc.* 2018 TMOB 124 will be cited as *Akbar Brothers (Pvt) Ltd. (TMOB)* throughout this decision.

#### The Federal Court Decision

- [7] The Applicant subsequently appealed the *Akbar Brothers (Pvt) Ltd. (TMOB)* decision. The Federal Court allowed the appeal and set aside the refusal of the application on the basis that the Opponent's evidence was insufficient to meet its evidential burden with respect to the section 2 ground of opposition.
  - [53] In our case, it is the knowledge of the opponent's [DO GHAZAL & Design trademark] acquired by consumers that is required to be sufficient to negate distinctiveness. That is dearly missing. The mere fact that a distributor received products may establish "use", but it is not sufficient to establish knowledge by consumers, let alone that the trademark has become known in Canada sufficiently to negate the distinctiveness of the mark to be registered. The opponent urges the Court to speculate that the sufficient knowledge is present: this is to be resisted. There is nothing known, literally, of the opponent's mark in Canada.

...

- [55] ... There is a complete lack of evidence of the use made of the mark that could support knowledge by consumers sufficient to negate the distinctiveness of the mark to be registered. In those circumstances, the only conclusion that can be reached by the Court is that the decision under review is unreasonable.
- [8] The Federal Court's decision *1648074 Ontario Inc. v Akbar Brothers (pvt) Ltd.*, 2019 FC 1305 will be cited as *Akbar Brothers (pvt) Ltd. (FC)* throughout this decision.

#### Scope of Redetermination

[9] The scope of the redetermination is set out in paragraph 2 of the Court's order in *Akbar Brothers (pvt) Ltd. (FC)*:

The matter of the remaining two grounds of opposition, one based on paragraph 30(i) and the other relating to the reasonable likelihood of confusion between the mark whose registration is sought and the registered ALGHAZALEEN TEA and Design trademark of the opponent, is returned to the Registrar for determination.

#### Evidence of Record in this Redetermination

- [10] The evidence of record includes the evidence previously before the Registrar summarized at paras 9-11 and 16-19 of *Akbar Brothers (Pvt) Ltd. (TMOB)*:
  - (a) The Opponent's evidence consisting of the affidavit of Inayetally Akbarally, the Managing Director of the Opponent along with the transcript of Mr. Akbarally's cross-examination and answers to undertakings.
  - (b) The Applicant's evidence consisting of the affidavit of Mohammad E. Yadgar, its Founder and President, along with the transcript of Mr. Yadgar's cross-examination and answers to undertakings.
  - (c) The Opponent's affidavit of Whitney Joy Smith, a private investigator filed in reply. In *Akbar Brothers (Pvt) Ltd. (TMOB)*, the Registrar did not find the evidence of Whitney Joy Smith proper reply evidence and I adopt the findings at paragraphs 18-19 of this decision as my own. The Opponent also filed as part of its reply evidence certified translations of the Mark and the Opponent's trademarks. By way of letter dated March 14, 2017, the Registrar confirmed that the certified translations could not be made of record because they were not in the form of an affidavit or statutory declaration.
- [11] The Applicant was also granted leave pursuant to section 55 of the *Trademarks Regulations*, SOR/2018-227 (the Regulations) to file the evidence of Huzefa Akbarally who handled tea exports to Canada and the United States for the Opponent till 2018. This evidence was filed before the Federal Court in *Akbar Brothers (pvt) Ltd. (FC)*.
- [12] The Applicant did not request leave to file additional evidence for the purpose of the redetermination.

#### Submissions in this Redetermination

[13] I have had regard to the written submissions filed by each party during the opposition. Both parties also filed written submissions for the purposes of the redetermination ("leave submissions"). The Opponent appeared at a hearing.

#### Onus

[14] The Applicant bears the legal onus of establishing, on a balance of probabilities, that its application complies with the requirements of the Act. However, 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 [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD) at 298].

#### SECTION 30(I) GROUND OF OPPOSITION

- [15] The material date for a section 30(i) ground of opposition is January 11, 2013 the date of filing the application [*Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 at 475].
- [16] There are two paragraphs in the statement of opposition which plead non-compliance with section 30(i) of the Act:

[paragraph 2(a)(iv)] Contrary to section 30(i) of the Act, the Applicant should have been aware of the Opponent's trademark ALGHAZELEEN TEA (DESIGN) and use of the trademark by the opponent and could not have been satisfied that it was entitled to use the Mark in Canada. The Opponent is Sri Lanka's largest exporter and Alghazaleen tea has been voted best Sri Lankan tea brand. Alghazaleen tea, also known as Do Ghazal tea (meaning two deer) is a brand of Ceylon tea grown and packed in Sri Lanka. The Opponent has used the ALGHAZLEEN TEA (DESIGN) in Canada for over ten years.

[paragraph 2(a)(v)] Contrary to section 30(i) of the Act, the Applicant should have been aware of the Opponent's trademark ALGHAZALEEN TEA (DESIGN) and use of the trademark by the Opponent and could not have been satisfied that it was entitled to use the Mark in Canada. The Applicant incorrectly informed the Trademarks Office that "do ghazal" means "two sellers of cotton yarns" while it should have known that "do ghazal" means "two deer". The Applicant should have been aware that the translation of "Alghazaleen" is also "two deer". The Applicant deliberately attempted to provide an incorrect translation in an effort to obtain registration of its trademark.

#### Section 30(i) Ground of Opposition Based on an Incorrect Translation is Rejected

- [17] At the outset, I find that the Opponent fails to meet its evidential burden with respect to the second prong of the section 30(i) ground of opposition concerning translation. The Opponent has not provided evidence from a certified translator or dictionary definitions showing DO GHAZAL cannot also mean "two sellers of cotton yarn". Furthermore, the Opponent's evidence provided by Mr. Inayetally Akbarally is not sufficient to raise doubt about the correctness of the translations provided by the Applicant as it is not clear that he has the knowledge to challenge the translation provided by the Applicant as indicated in the following exchanges at his cross-examination.
  - 9 Can you advise, other than English, what languages you are able to read and write in?
    - I am able to read and especially speaking English, maybe write in English. Other languages which I am familiar, speak and read to some extent is Assamese, (inaudible), Hindi, Punjabi I can read, I can't write and two other Persian script I can read but I can't speak them.
  - You have indicated in terms of your knowledge of language in terms of Arabic and Persian. I think it is fair to say but you can correct me you are not saying you are fluent in those languages but you can read a bit in those languages? Is that correct?

I can, certainly yes.

# Section 30(i) Ground of Opposition Based on the Applicant's Awareness of the Opponent's ALGHAZALEEN Trademark Also Known as DO GHAZAL Succeeds

#### **Scope of the Pleading**

[18] The Applicant submits that the section 30(i) ground of opposition does not involve consideration of the Opponent's alleged rights in any DO GHAZAL trademark, in Canada, or otherwise (Applicant's leave submissions, page 5). The Applicant submits that as it "is of the view that there is no likelihood of confusion between ALGHAZALEEN TEA & Design and DO GHAZAL & Design ... the Applicant was rightfully satisfied to use the Mark in Canada"

(Applicant's leave submissions, page 9). The Applicant further submits that "to the extent that the Opponent references DO GHAZAL at all in its section 30(i) ground of opposition, it is as part of an unsupported allegation that ALGHAZALEEN TEA is also known as DO GHAZAL TEA. This allegation is not only unsupported by the evidence but it is in fact contradicted by the evidence which clearly suggests that they are entirely separate brands" (Applicant's leave submissions, page 11).

- [19] The ground of opposition must be read considering the statement of opposition as a whole and concurrently with the evidence [Novopharm Ltd v Astrazeneca AB 2002 FCA 387, 21 CPR (4th) 289].
- [20] The evidence of the Opponent is that as alleged in the statement of opposition both ALGHAZALEEN and DO GHAZAL mean two deer as set out in the translation provided to the Trademarks Office with respect to the ALGHAZALEEN TEA trademark and that each feature same "two deer" design (Inayetally Akbarally affidavit, para 21, Exhibits C, E, G). Finally, in at least some instances DO GHAZAL in Persian appears on the packaging of ALGHAZALEEN TEA imported into Canada (Huzefa Akbarally affidavit, Exhibit D).
- [21] Given this evidence, I find that the scope of the pleading includes the awareness of the Applicant of the Opponent's DO GHAZAL trademark by virtue of the fact that Mr. Yadgar was a director of both the Applicant and the Opponent's Canadian distributor. While there is no evidence that a Canadian consumer of the Opponent's tea would be able to read the Persian text, the focus of this section 30(i) ground of opposition is not what the average Canadian consumer would understand but rather was it reasonable for the Applicant to make the statement that it was entitled to use the Mark.
- [22] Finally, I do not consider that the Opponent requested but was denied leave to amend the statement of opposition to include a new section 16 ground of opposition based on the DO GHAZAL trademark while also pleading additional facts with respect to the section 30(i) ground of opposition to preclude the Opponent from relying on the Applicant's awareness of the DO GHAZAL trademark by virtue of the fact that Mr. Yadgar appears to have been a director of a distributor of the Opponent prior to using and applying for the Mark.

#### Requirements of Section 30(i)

[23] Section 30(i) requires an applicant to indicate as part of its application that it is satisfied that it is entitled to use the trademark in Canada in association with the applied-for goods and services. The statement provided by section 30(i) purports to be evidence of an applicant's good faith in submitting its application [Cerverceria Modelo S.A. de C.V. v Marcon (2008), 70 CPR (4th) 355 (TMOB) at 366]. The Registrar explains in FremantleMedia North America Inc v Wright Alternative Advertising Inc (2009), 77 CPR (4th) 311 at 317:

Section 30(i) of the Act requires the applicant to indicate as part of its application that the applicant is satisfied that it is entitled to use the trade-mark in Canada in association with the listed wares and/or services. In *Canadian Trade-marks Act – Annotated Robic Leger*, rev. ed. (Scarborough, Ont.: Carswell) (looseleaf), H.G. Richard discusses s. 30(i) (formerly s. 29(i)) as follows at 30-47, 30-48:

The final consideration before proceeding to the actual search of the indexes and examination of the mark itself, is whether or not the applicant is satisfied "that he is entitled to use the mark in Canada in association with the wares or services described in the application". This can be looked at as a type of contract between the applicant and the public, establishing that all information and supporting evidence, including revisions or additions of same, have been submitted **in good faith**, and that the application as it stands, is approved by the applicant... (emphasis added)

- [24] Where an applicant has formally complied with the provisions of section 30(i) of the Act by including the required statement in its application, the issue then becomes whether or not the applicant has substantively complied with that subsection i.e. was the statement true when the application was filed? The Registrar has previously found that an applicant has failed to substantively comply with section 30(i) where:
  - 1. there is evidence of bad faith on the part of the applicant [Sapodilla Co Ltd v Bristol Myers Co (1974), 15 CPR (2d) 152 (TMOB) at 155] which has been found where a licensee or distributor has attempted to register their principal's trademark or a confusingly similar variant [Suzhou Parsun Power Machine Co. Limited v Western Import Manufacturing Distribution Group Limited, 2016 TMOB 26; Flame Guard Water Heaters, Inc v Usines Giant Inc, 2008 CanLII 88292; see also McCabe v Yamamoto & Co (America) Inc (1989), 23 CPR (3d) 498 at 503 (FCTD)];
  - 2. there is evidence of a prima facie case of non-compliance with a federal statute [Interactiv Design Pty Ltd v Grafton-Fraser Inc (1998), 87 CPR (3d) 537 (TMOB) at 542-543]; and

3. there is evidence that a contractual relationship such as licensor-licensee existed and that the registration of a trademark would constitute a breach of the relationship [AFD China Intellectual Property Law Office v AFD China Intellectual Property Law (USA) Office, Inc, 2017 TMOB 30].

Has the Opponent Met its Evidential Burden?

- [25] The Opponent has met its evidential burden. The following evidence raises doubt about the Applicant's good faith in submitting its application. The Applicant had knowledge of the Opponent's ALGHAZALEEN TEA and DO GHAZAL tea brands both which feature "two deer" prominently on their packaging as the Applicant's President and Founder was also an officer of the Opponent's Canadian distributor of these brands.
  - (a) The Opponent first registered the DO GHAZAL trademark in 2000 in Sri Lanka (Inayetally Akbarally affidavit, para 9, Exhibit D).
  - (b) In 2012, the Opponent sold at least \$100,000 USD of tea bearing the DO GHAZAL (Design) trademark in Canada (Inayetally Akbarally affidavit, para 10). The packaging of the tea sold in Canada attached as Exhibit E includes the trademark DO GHAZAL, "Imported by AMANA CANADIAN LTD", and "Do Ghazal Brand/Do Ghazal Device/ Carton get up and "O" logo are the Registered trade mark of Akbar Brothers (Pvt) Ltd. Colombo". Mr. Inayetally Akbarally also includes invoices which show that DOGHAZAL brand tea was shipped to Amana Canadian Ltd (Exhibit F).
  - (c) In 2012, the Opponent also sold at least \$100,000 USD of tea bearing the ALGHAZALEEN trademark in Canada, including some to Amana Canadian Ltd (para 16; Exhibit J). In at least some instances DO GHAZAL in Persian appears on packaging of ALGHAZALEEN tea imported into Canada (Huzefa Akbarally affidavit, Exhibit E).
  - (d) Mr. Inayetally Akbarally attaches to his affidavit a copy of the Corporation Report for the Applicant which identifies Mohammad E. Yadgar as the Director of the Ontario corporation and states that he does not know anyone by this name (para 25, Exhibit L). At his cross-examination, however, Mr. Akbarally

updates his evidence to explain that Mr. Yadgar was also the Director of the Canadian distributor of the Opponent's product bearing the DO GHAZAL & Design trade-mark:

Can you clarify your relationship with Amana Canadian Ltd.

We have been trading with Amana Canadian Ltd. and subsequent to my sending you the --- signing the affidavit, we have come to know that the Amana Canadian, the main director – prior to that, we didn't know who the directors of Amana Canadian were but now we have to come know that that the main director of Amana Canadian is Mohammed Yadgar, right – and also Mohammed Yadgar is the director of the number company Ontario Inc. which has applied for the verbal representation of this mark which he had applied for them.

66 Okay, but-

Our words and goodwill and tried to claim it for himself.

Okay but I am looking for not your theory of the case but my question was; what is your relationship with Amana Canadian?

What do you mean? It is a business relationship.

So they were a distributor of your goods in Canada; is that correct?

Distributor of our goods in Canada.

(e) Mr. Huzefa Akbarally confirms in his evidence that Mr. Yadgar worked with Amana Canadian Ltd. as the Opponent's distributor in Canada for tea products. As Exhibit A his affidavit, Mr. Huzefa Akbarally attaches a copy of the Ontario Corporation Profile Report which reports that on August 22, 2011 a Mr. Yadgar became President. It appears that Mr. Yadgar filed the Annual Returns in 2011 and on November 16, 2013 (Huzefa Akbarally affidavit, Exhibit A). While there is correspondence from a Mr. Shams who advises Mr. Yadgar resigned in 2009, the Opponent's position in the emails is that its Legal Department feels

that Mr. Shams is not being truthful about Mr. Yadgar's resignation. On balance, I infer that since Mr. Yadgar filed the corporation profile report he remained an officer of Amana Canadian Ltd. Furthermore, while Mr. Yadgar was in the best position to explain his involvement with Amana Canadian Ltd. he declined to do so at his cross-examination.

[26] In my view, the above evidence raises doubt about the Applicant's good faith in submitting its application and is sufficient to meet the Opponent's evidential burden. The Mark is within the group of marks distributed by the Opponent which the Opponent characterizes as meaning two deer and whose packaging features the same design with two deer. The Opponent's evidence is that the DO GHAZAL trademark appears in Persian writing on the ALGHAZALEEN tea box distributed by Amana Canadian Ltd. (Huzeffa Akbarally affidavit, para 10, Exhibit D). The Applicant through its director, Mr. Yadgar, had knowledge of these trademarks as Mr. Yadgar was also director of Amana Canadian Ltd., the Opponent's Canadian distributor, from the date of use claimed in the application (2009) to past the filing date of the application.

## Has the Applicant Met its Legal Onus?

- [27] Section 30(i) of the Act simply requires the Applicant to state that it was satisfied that it was entitled to use the Mark in Canada. This application includes such a statement. In the circumstances, however, I must assess whether it was reasonable for the Applicant to be satisfied that it was so entitled.
- [28] The Applicant submits that it was entitled to use the Mark, for the following reasons:
  - (a) The Opponent is precluded from raising a ground of opposition based on section 30(i) of the Act, since the Applicant has priority having used the DO GHAZAL & Design trademark since May 1, 2009 which is four years before the material date for this ground of opposition. There is, however, evidence that prior to May 1, 2009, a Mr. M. Ibrahim Yadgar signed correspondence on letterhead of Amana Canadian Ltd. with the notation "Exclusive & Authorized

- Distributor of Alghazaleen (Do-Ghazal) Tea to Canada" suggesting the Opponent's tea may have been distributed prior to the Applicant's first use.
- (b) There is no likelihood of confusion between the Opponent's trademark ALGHAZALEEN TEA & Design and the Applicant's trademark DO GHAZAL & Design. The pleading, however, includes a reference to the DO GHAZAL tea of the Opponent, so that a finding of no likelihood of confusion between the Mark and the Opponent's ALGHAZALEEN TEA & Design trademark will not necessarily result in the rejection of this ground of opposition.
- (c) The Opponent's ALGHAZALEEN and DO GHAZAL products are separate products bearing separate trademarks and to the extent that the Opponent references DO GHAZAL at all in its section 30(i) ground of opposition, it is part of an unsupported allegation that ALGHAZALEEN TEA is also known as DO GHAZAL TEA. However, as I found in paragraph 20 the Opponent's evidence is that both of these trademarks mean two deer and in at least some instances instances DO GHAZAL in Persian appears on the packaging of ALGHAZALEEN TEA imported into Canada.
- (d) The Applicant is merely a competitor of the Opponent, offering goods under an entirely different brand. The Opponent is trying to take evidence which at worst shows that an individual associated with the Applicant was once involved with a company that distributed the ALGHAZALAEEN products of the Opponent. However, the Registrar has previously found an applicant to be in bad faith where an officer of an applicant is also an officer of a licensee of an opponent [Dixie Lee (Maritimes) Ltd. v Dixie's Pizza-Fried Chicken-Fish Inc., 2019 TMOB 48].
- [29] At his cross-examination, Mr. Yadgar, the President and founder of the Applicant refused to answer the following questions concerning the import of the Opponent's products with the DO GHAZAL trademark by a company that he was an officer of

You've indicated that you are an importer and exporter of various goods that come into the country. Have you been an officer of any company that has imported my client's trademark Do Ghazal?

Objection. We're not getting this through the backdoor what you didn't get in the front door. You tried to amend the Statement of Opposition with respect to his prior relationship with your client. That was refused. We're not answering your questions about any prior relationship with our client and the opponent. That was already determined by the Board, already considered by them and they refused to allow those amendments.

As the owner of one of the Kabul Farms locations, does your location that you own import any tea products from my client bearing our client's DO Ghazal trademark?

Objection. We're not answering questions again about their relationship with the opponent. That, as I mentioned, has been refused by the Trademarks Opposition Board.

[30] In this case, the evidence is insufficient for the Applicant to meet its legal onus. It is clear from case law that licensees, distributors and the like should not be allowed to usurp their principal's trademarks [see for example, *McCabe v Yamamoto & Co (America)* (1989), 23 CPR (3d) 498 (FCTD)]. Given that the Mr. Yadgar was an officer of the Opponent's distributor of ALGHAZALEEN and DO GHAZAL TEA and is the Applicant's founder and President, the Applicant has provided insufficient evidence to meet its legal onus to justify that it was entitled to use the Mark with the Goods in Canada to the exclusion of others including the Opponent as of the date of filing the application.

#### SECTION 12(1)(D) GROUND OF OPPOSITION

[31] The material date for assessing this ground of opposition is either October 31, 2018 the date of the decision in *Akbar Brothers (Pvt) Ltd. (TMOB)* or the date of this redetermination decision [*Cathay Pacific Airways Limited v Air Miles International Trading BV*, 2016 FC 1125 at para 64]. In the circumstances of this case, I do not believe that anything turns on which material date is chosen to assess the issue of confusion.

[32] For this ground of opposition, I must assess whether the Mark for use with the Goods is confusing with the Opponent's registered trademark ALGHAZALEEN TEA & Design (registration No. TMA 594,177) shown below, which remains in good standing with tea.



#### **Test for Confusion**

- [33] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person, whether or not the goods or services are of the same general class or in the same Nice Class.
- [34] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act. The surrounding circumstances need not be attributed equal weight. [See, in general, *Mattel, Inc v* 3894207 Canada Inc (2006), 49 CPR (4th) 321 (SCC) and Masterpiece Inc v Alavida Lifestyles Inc (2011), 92 CPR (4th) 361 (SCC).]

#### <u>Identifying the Average Consumer</u>

- [35] It has been established that the average consumer is generally Anglophone, Francophone, or bilingual in English and French [*Pierre Fabre Médicament v SmithKline Beecham Corp*, 2001 FCA 13 at para 15].
- [36] The Opponent submits in its leave submissions:

- 18. These products were shipped to the Applicant and then distributed to the various locations of Kabul Farms which provides its customers with a fusion of Afghan, Persian, Pakistani, Indian and Middle Eastern cuisine in Southern Ontario.
- 19. It is reasonable to assume that a substantial portion of the Applicant's customers would have more than a passing knowledge of languages found in Afghanistan, Iran, Iraq, Pakistan, India and Middle Eastern countries.
- [37] While Mr. Inayetally Akbarally indicates that both the trademarks are derived from the Arabic and Persian language (para 20), the Opponent's evidence is insufficient for me to conclude that the average consumer of the parties products would be able to read and understand both the meanings of the ALGHAZALEEN TEA registered mark and the Mark considering that neither of these trademarks is in English or French.

#### Inherent Distinctiveness of the Trademarks

[38] In view that both parties' trademarks have no meaning in the English or French language, I find them both to be inherently distinctive [*Thai Agri Foods Public Company Limited v Choy Foong Int'l Trading Co Inc*, 2012 TMOB 61].

#### Extent known and length of time in use

- [39] The Opponent's evidence of use of the ALGHAZALEEN & Design trademark in Canada exceeds that of the Applicant's use of the Mark. The Opponent evidences that it has sold its ALGHAZALEEN tea since 2004 and sales of the this tea exceeded \$100,000 USD for each of the years 2008 to 2012 (although the sales dropped off dramatically in 2013, the last year for which there are sales figures).
- [40] The Applicant has filed evidence of use of the Mark in association with tea since 2009 (Yadgar, paras 4-6; Exhibits A & B). While total sales have not been provided, the representative invoices dated between May 7, 2009 and January 20, 2014 show sales of over \$50,000 of DO GHAZAL tea.

#### Nature of the goods and trade

[41] The nature of the goods are identical with respect to tea. With respect to the remaining Goods in the application, I consider that these goods are related to tea insofar as they are all non-

perishable food products. Therefore, there is also the potential for overlap in the business and channels of trade. Accordingly, these factors favour the Opponent.

#### Degree of Resemblance

- [42] When considering the degree of resemblance between trademarks, they must be considered in their totality; it is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the marks [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* 2006 SCC 23 at para 20].
- [43] This factor significantly favours the Applicant. The trademarks differ significantly in appearance and in sound. While both include "GAZAL", this component appears in very different positions in the trademarks and the other components of the trademarks would not appear to be similar as a matter of first impression. Regarding the ideas suggested, I do not find that the trademarks would suggest a similar idea. There is insufficient evidence that the average consumer would attribute a similar meaning to DO GHAZAL and ALGHAZALEEN as a matter of first impression.

#### Conclusion on the likelihood of confusion

[44] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection. Having considered all the surrounding circumstances, in particular the degree of resemblance, I find that the Applicant has met its legal onus to prove, on a balance of probabilities, that there is no reasonable likelihood of confusion between the Mark and the Opponent's trademark ALGHAZALEEN TEA & Design. As discussed above, in reaching this conclusion, I have considered the average consumer to be a person who cannot read or understand Persian and/or Arabic. Accordingly, the section 12(1)(d) ground of opposition is rejected.

#### SECTION 16(3)(A) GROUND OF OPPOSITION

[45] While this ground of opposition is not referenced as requiring redetermination in the order, because the Registrar did not decide whether it was accepted or rejected in *Akbar Brothers* (*Pvt*) *Ltd.* (*TMOB*) out of an abundance of caution I am ruling on it.

[46] The Opponent has pleaded that Applicant is not the person entitled to registration of the Mark on the basis of section 16(3)(a) of the Act. Section 16(3)(a) of the Act is specific to the goods applied-for on the basis of proposed use. The date to assess confusion under this ground is the date of filing of the application. However, an assessment of the likelihood of confusion as of the application filing date does not differ significantly from my assessment of the likelihood of confusion under the section 12(1)(d) ground of opposition. Accordingly, this ground of opposition is rejected for the same reasons as with respect to the section 12(1)(d) ground of opposition.

#### DISPOSITION

[47] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application pursuant to section 38(12) of the Act.

Natalie de Paulsen Member Trademarks Opposition Board

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

## **HEARING DATE** 2020-11-30

## **APPEARANCES**

David M. Wray FOR THE OPPONENT

No one appearing FOR THE APPLICANT

## **AGENTS OF RECORD**

R. William Wray & Associates FOR THE OPPONENT

Perley-Robertson, Hill & McDougall LLP FOR THE APPLICANT