



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2023 TMOB 086

Date of Decision: 2023-05-26

IN THE MATTER OF AN OPPOSITION

Opponent: Aichi Miso Tamari Shoyu Cooperative Society

Applicant: Hikari Miso Co., Ltd.

Application: 1885582 for Japanese Characters Design

INTRODUCTION

[1] Aichi Miso Tamari Shoyu Cooperative Society (the Opponent) opposes registration of Japanese Characters Design (the Mark) which is the subject of application No. 1885582 filed by Hikari Miso Co., Ltd. (the Applicant). The Mark is shown below:



[2] The Mark is applied for on the basis of proposed use in Canada in association with the goods reproduced below, together with the associated Nice classes (CI):

CI 29 (1) Pre-cooked curry stew, stew and soup mixes; instant or pre-cooked soup; instant or pre-cooked miso soup; instant soup containing uncooked bean-starch noodles.

CI 30 (2) Miso.

[3] The application includes the following foreign character transliteration: “The transliteration provided by the applicant of the non-Latin character(s) of the mark is HACCHO.”

[4] The opposition is primarily based on an allegation that the Mark is identical or nearly identical to a geographical indication in Japan (“Hatcho miso”), and that therefore the application was filed in bad faith.

[5] For the reasons set out below, I reject the opposition.

THE RECORD

[6] The application for the Mark was filed on March 1, 2018, and was advertised for opposition purposes on December 11, 2019.

[7] On March 17, 2020, the Opponent opposed the application by filing a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 as amended June 17, 2019 (the Act).

[8] The grounds of opposition are based on bad faith under section 38(2)(a.1); non-registrability under sections 12(1)(b) and 12(1)(e); non-distinctiveness under section 2; and non-entitlement to use under section 38(2)(f) of the Act.

[9] The Applicant filed a counter statement denying the grounds of opposition.

[10] In support of its opposition, the Opponent filed the affidavit of Michael S. Duchesneau dated October 26, 2020 (the Duchesneau Affidavit) and reply evidence in the form of a second affidavit of Michael Duchesneau dated October 1, 2021 (the Duchesneau Reply Affidavit).

[11] In support of its application, the Applicant filed the affidavit of Bonnie D. Headley dated February 23, 2021 (the Headley Affidavit), as well as a certified copy of the application file for the Mark.

[12] Neither affiant was cross-examined on their affidavits.

[13] Both parties filed written representations, but only the Applicant was represented at a hearing.

OVERVIEW OF THE OPPONENT’S EVIDENCE

Duchesneau Affidavit

[14] Mr. Duchesneau is a law clerk employed by the Opponent’s agent of record [para 1]. His affidavit largely consists of printouts from various websites that he states he visited in October 2020 [paras 2 to 11, Exhibits A to J].

[15] I note that Mr. Duchesneau neither explains the significance of the websites he visited, nor does he make any statements directed at the Opponent’s pleadings. I further note that although Mr. Duchesneau indicates in paragraphs 8 to 11 of his affidavit that the Google Translate function was used for Exhibits G to J, some of this content remains in Japanese. Nevertheless, below is a brief summary of the printouts attached to the Duchesneau Affidavit:

- Exhibit A: A pamphlet titled “the world of MISO” from *miso.or.jp*, generally describing the history, manufacturing and cooking of miso.
- Exhibit B: A pamphlet titled “MISO” from *miso.or.jp*, describing the history and types of miso along with recipes that include miso.
- Exhibit C: A webpage printout from *gi-act.maff.go.jp*, titled “Information Website on Japan’s Geographical Indications” for Hatcho Miso.
- Exhibit D: A webpage printout from *aichimiso.jp*, titled “What is Hatcho Miso?”.
- Exhibit E: Printouts from *hikarimiso.com*, including the “contact us” and “about miso” webpages.

- Exhibit F: A document titled “Establishing trusted representation for consumers informed decision with proper labeling” from *caa.go.jp/en*.
- Exhibits G and H: Webpage printouts from the Japanese Federation of Miso Manufacturers Cooperatives’ website, *zenmi.jp*.
- Exhibit I: A webpage printout from *shinshumiso.or.jp*, titled “Shinshu miso warehouse discovery”.
- Exhibit J: A screenshot from *aichimisotamari.or.jp* that appears to list members of the “Nagoya Miso Soy Sauce Industry Cooperative”.

Duchesneau Reply Affidavit

[16] As with the first Duchesneau Affidavit, Mr. Duchesneau attaches documents to his reply affidavit but does not provide an explanation of either the significance of the documents or any statements directed at the Opponent’s pleadings. The exhibits attached to the Duchesneau Reply Affidavit are as follows:

- Exhibit A: A table titled “List of trademarks incorporating the element of Japanese kanji character “HACCHO” or HATCHO MISO” in Japan.
- Exhibit B: A table titled “List of trademarks in the name of Hikari Miso Co., Ltd. in Japan”.
- Exhibit C: A printout of what appears to be legislation from Japan titled *Act on Protection of the Names of Specific Agricultural, Forestry and Fishery Products and Foodstuffs*, from the website *japaneselawtranslation.go.jp*, which provides the text in Japanese and in English.

OVERVIEW OF THE APPLICANT’S EVIDENCE

[17] As noted above, in addition to the Headley Affidavit, the Applicant’s evidence includes a certified copy of the application file for the Mark.

The Headley Affidavit

[18] Ms. Headley is a registered Trademark Agent, doing business as Greenspace Trademark Services. Ms. Headley states that she periodically provides trademark-related services for the Applicant’s agent of record [para 1]. In January 2021, Ms.

Headley visited various websites, and her affidavit largely consists of printouts from such websites [paras 2 to 11, Exhibits A to J]. I note that Ms. Headley does not make any statements directed at the Opponent's pleadings, and she does not directly explain the significance of the websites she visited. Nevertheless, the attachments to the Headley Affidavit are as follows:

- Exhibit A: A printout of the article "Japanese writing system" from *en.wikipedia.org*.
- Exhibit B: A printout of definitions for the word "transliterate" from *merriam-webster.com*.
- Exhibit C: A printout of a Statistics Canada paper titled "Profiles of Ethnic Communities in Canada the Japanese Community in Canada".
- Exhibit D: A printout of a document titled "Demographic Characteristics of Japanese Canadians in 2016" from the website of the National Association of Japanese Canadians.
- Exhibit E: A printout of a Statistics Canada webpage with "quarterly population estimates of Canada and each of the Provinces and Territories" from 2019 to 2020.
- Exhibit F: A printout of a Statistics Canada webpage titled "Canada's population clock (real-time model)".
- Exhibit G: A printout of the list of Geographical Indications maintained by the Canadian Intellectual Property Office specifically for Geographical Indications that start with the letter "H".
- Exhibit H: A printout from the USPTO website of registration No. 6,103,964, owned by the Applicant, and which Ms. Headley identifies as being for the same trademark as the subject Mark.
- Exhibit I: A printout from the United Kingdom Intellectual Property Office website of registration No. UK00917884714, owned by the Applicant, which Ms. Headley identifies as being for the colourised version of the Mark.

- Exhibit J: A printout from the EUIPO trademark database of registration No. 017884714, owned by the Applicant, which Ms. Headley identifies as being for the colourised version of the Mark.

EVIDENTIAL BURDEN AND LEGAL ONUS

[19] In accordance with the usual rules of evidence, there is an evidential burden on the Opponent to prove the facts inherent in its allegations pleaded in the statement of opposition [*John Labatt Ltd v Molson Companies Ltd*, 1990 CarswellNat 1053 (FCTD)]. The presence of an evidential burden on the Opponent with respect to a particular issue means that in order for the issue to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that issue exist.

[20] For those allegations for which the Opponent has met its evidential burden, the legal onus is on the Applicant to show that the application does not contravene the provisions of the Act as alleged in the statement of opposition. The presence of a legal onus on an applicant means that, if a determinate conclusion cannot be reached once all the evidence has been considered, then the issue must be decided against it.

PRELIMINARY REMARKS

Sufficiency of the Grounds of Opposition as Pled

[21] Section 38(3)(a) of the Act requires that a statement of opposition set out the grounds of opposition with “sufficient detail to enable the applicant to reply thereto”. To meet this requirement, an opponent must include supporting allegations of fact in each ground pleaded. In my view, as discussed further below in the analysis of the individual grounds, for many of the pleaded grounds, the Opponent has failed to provide the level of detail in its statement of opposition required by section 38(3)(a) of the Act. Had the Applicant requested an interlocutory ruling prior to filing its counter statement, it is likely one or more of the grounds of opposition would have been struck for having been insufficiently pleaded.

Probative Value of the Evidence

[22] In this case, the Opponent relies solely on evidence put forth by an employee of its agent of record, Mr. Duchesneau.

[23] Generally, an affidavit of an employee of an agent's firm is admissible only to the extent that the evidence relates to non-controversial and non-central matters [*Cross Canada Auto Body Supply (Windsor) Limited et al v Hyundai Auto Canada*, 2005 FC 1254, aff'd 2006 FCA 133].

[24] As the Opponent appears to have focused on its allegation of bad faith in this opposition, its evidence should have been introduced by a knowledgeable and competent individual, e.g., from a principal of the Opponent or a licensee, who could be appropriately subject to a meaningful cross-examination, and not merely by a law clerk employed by the Opponent's agent.

[25] Furthermore, I agree with the Applicant that the Duchesneau Reply Affidavit is improper reply evidence given that it is not strictly confined to matters in reply, but rather appears to simply be supplemental evidence [Applicant's written representations at para 35]. In any event, given the hearsay nature of the Opponent's evidence, I do not consider it appropriate to give it much weight. As will be discussed further below, hearsay and admissibility issues aside, much of the evidence is of little assistance to the Opponent.

[26] For its part, the Applicant has similarly relied on evidence from an affiant who does not appear to have first-hand knowledge of the central issues in this proceeding. However, per the analysis below, such evidence is not as problematic.

BAD FAITH GROUND

[27] Pursuant to section 38(2)(a.1) of the Act, the Opponent pleads that the application for the Mark was filed in bad faith because the Applicant knew or ought to have known that the Mark is identical or nearly identical to the geographic indication HATCHO MISO.

[28] In this respect, the Opponent pleads that it is a Japanese cooperative society responsible for setting the standards for the production and sale of miso unique to the Aichi Prefecture of Japan under the geographic indication HATCHO MISO, which is registered in Japan under geographical indication (GI) number 49. Furthermore, the Opponent pleads:

Internationally, including in Canada, the geographic indication HATCHO MISO is well known by consumers as designating miso produced in the Aichi Prefecture solely from soybeans and salt, with a distinctive deep red-brown colour and unique flavour, characterized by moderate acidity, strong unami, and bitterness and astringency.

[29] The material date for assessing this ground of opposition is the filing date of the application, March 1, 2018.

[30] In its representations, the Opponent submits that “the Mark (the provided transliteration of which is HACCHO) is identical or nearly identical to the geographic indication HATCHO MISO” [para 17].

[31] As such, the crux of the Opponent’s argument in respect of this ground is summarized in its written representations as follows:

...the Applicant knew or ought to have known that the Mark is identical or nearly identical to the geographic indication HATCHO MISO, which it is not permitted to use in association with the Goods since it is not a Hatcho miso producer in the Aichi Prefecture. [para 23]

[32] The Opponent’s submission that the Applicant “is not permitted” to use the term HACCHO is based on what appears to be Japanese legislation titled *Act on Protection of the Names of Specific Agricultural Forestry and Fishery Products and Foodstuffs* [Opponent’s written representations at para 21].

[33] In response, the Applicant notes that HATCHO MISO is not a registered geographical indication in Canada and that the Opponent has provided no evidence to support the assertion that HATCHO MISO is “well known” by Canadian consumers as designating miso produced in the Aichi Prefecture [Applicant’s written representations at para 32].

[34] Section 38(2)(a.1) of the Act, which came in to force in June 2019, reads as follows:

(2) A statement of opposition may be based on any of the following grounds: ...

(a.1) that the application was filed in bad faith;

[35] The Act does not define “bad faith”, and only a few cases have considered such since section 38(2)(a.1) of the Act came into force. However, the Federal Court has confirmed that jurisprudence predating the coming into force of section 38(2)(a.1) may be relevant to the assessment of bad faith [see *Blossman Gas Inc v Alliance Autopropane Inc*, 2022 FC 1794 at para 119]. General principles that appear to continue to be applicable include:

- mere knowledge of another’s trademark does not in and of itself support an allegation of bad faith [*Woot Inc v Woot Restaurants Inc / Les Restaurants Woot Inc*, 2012 TMOB 197];
- that an applicant “ought to have known” of an opponent’s allegedly confusing trademark is not sufficient to support an allegation of bad faith [*Navsun Holdings Ltd v Sadhu Singh Hamdard Trust*, 2015 TMOB 214]; and
- although actual awareness of prior rights and an intention to harm a prior user’s business may be relevant to an assessment of bad faith, mere willful blindness or a failure to inquire into a competitor’s rights is insufficient to constitute bad faith [*Blossman* at para 121].

[36] In this case, noting that the Opponent’s allegation of bad faith is not based on its own trademark rights in Canada, I nonetheless consider it appropriate to take guidance from the aforementioned general principles, in particular that mere knowledge or willful blindness of another’s rights is insufficient to support an allegation of bad faith.

[37] I also note more recent jurisprudence where the Federal Court noted that bad faith is “generally characterized as a breach of legal or moral obligation on the part of an applicant towards a third party” and that “hearsay and vague conjecture” are not

sufficient to support an allegation of bad faith [see *Beijing Judian Restaurant Co Ltd v Meng*, 2022 FC 743 at para 39].

[38] In addition to the aforementioned principles regarding bad faith, at this point I further note that foreign law is considered facts that must be proven [*Waterford Wedgwood PLC v Forma-Kutzscher GmbH*, 2006 CanLII 80364 (TMOB)]. In the present case, the Opponent has merely evidenced what appears to be a copy of the referenced Japanese legislation with an English translation from an unofficial source [Duchesneau Reply Affidavit, Exhibit C]. As previously discussed, at best, such evidence can only be given limited weight due to the hearsay nature of the Duchesneau affidavits.

[39] In any event, as with the other grounds of opposition, the Opponent improperly focuses its arguments on the transliteration of the Mark (HACCHO) rather than the Mark as applied for, being Japanese characters on a black background as reproduced above.

[40] Even I were to set aside the aforementioned hearsay and admissibility issues, at a minimum, I agree with the Applicant that the evidence is insufficient to support the key assertion that HATCHO MISO is known in Canada as designating a miso product produced in the Aichi Prefecture [Applicant's written representations at para 47].

[41] As such, I find that the Opponent's evidence is insufficient to meet its burden in respect of its allegation of bad faith.

[42] Accordingly, the bad faith ground of opposition is rejected.

NON-REGISTRABILITY GROUND - SECTION 12(1)(E)

[43] Pursuant to section 38(2)(b) of the Act, the Opponent pleads that the Mark is not registrable in view of section 12(1)(e) of the Act because the adoption of the Mark is prohibited by section 10 of the Act since it is so nearly resembling as to be likely mistaken for the alleged geographic indication HATCHO MISO, which has become recognized in Canada as designating the kind, quality and place of origin of miso produced in the Aichi Prefecture.

[44] The material date for this ground of opposition is the date of this decision [*Canadian Olympic Association v Olympus Optical Co* (1991), 38 CPR (3d) 1 (FCA)].

[45] Section 10 of the Act reads as follows:

10. If any sign or combination of signs has **by ordinary and bona fide commercial usage become recognized in Canada** as designating the kind, quality, quantity, destination, value, place of origin or date of production of any goods or services, no person shall adopt it as a trademark in association with the goods or services or others of the same general class or use it in a way likely to mislead, nor shall any person so adopt or so use any sign or combination of signs so nearly resembling that sign or combination as to be likely to be mistaken for it. [emphasis added]

[46] It is clear from the wording of section 10 of the Act that, for the Opponent to meet its burden under this ground, the evidence must show that the “sign” it relies on (which in this case is the alleged geographic indication HATCHO MISO in Japan) has become recognized in Canada through “ordinary and *bona fide* commercial use”.

[47] Even if I were to give the Opponent’s evidence some weight despite the hearsay and admissibility issues discussed above, there is no evidence of any use of the alleged geographical indication HATCHO MISO in Canada, as of the material date or otherwise. As such, at a minimum, the Opponent has failed to meet its initial evidential burden for this ground.

[48] Accordingly, the non-registrability ground of opposition based on section 12(1)(e) of the Act is rejected.

NON-REGISTRABILITY GROUND - SECTION 12(1)(B)

[49] Pursuant to section 38(2)(b) of the Act, the Opponent pleads that the Mark is not registrable in view of section 12(1)(b) of the Act because it is either clearly descriptive or deceptively misdescriptive, when sounded, of the character, quality, conditions of production and place of origin of the goods in association with which it is proposed to be used, since it describes that the applied-for goods are produced in the Aichi Prefecture of Japan according to defined standards.

[50] The material date for this ground of opposition is the filing date of the application.

[51] The issue as to whether a trademark is clearly descriptive or deceptively misdescriptive must be considered from the point of view of the average purchaser of the associated goods or services. Character means a feature, trait or characteristic of the goods and services and "clearly" means "easy to understand, self-evident or plain" [*Drackett Co of Canada Ltd v American Home Products Corp* (1968), 55 CPR 29 (Ex Ct) at 34]. The trademark must not be carefully analyzed but must be considered in its entirety as a matter of immediate impression [*Wool Bureau of Canada Ltd v Registrar of Trade-marks* (1978), 40 CPR (2d) 25 (FCTD); *Atlantic Promotions Inc v Registrar of Trade-marks* (1984), 2 CPR (3d) 183 (FCTD)]. In other words, the trademark must not be considered in isolation, but rather in its full context in conjunction with the applied-for goods [*Ontario Teachers' Pension Plan Board v Canada* (2012), 2012 FCA 60]. Finally, one must apply common sense in making the determination about descriptiveness [*Neptune SA v Canada (Attorney General)* 2003 FCT 715].

[52] In its representations, the Applicant submits that this ground of opposition is improperly pleaded and does not apply to the facts in this opposition. Specifically, the Applicant submits as follows:

Given that the Mark is comprised of Japanese Characters, is not depicted in English or French and has no applicable translation or meaning in either of those languages, it cannot be said that the Mark is clearly descriptive or deceptively misdescriptive in the English or French language. Accordingly, it is respectfully submitted that this ground of opposition should be disregarded by [the Registrar] entirely.

In any case, the Opponent has not provided any evidence to support its allegation that the Mark is clearly descriptive or deceptively descriptive in English or French, and should therefore fail on this ground given that the Opponent has not fulfilled its initial burden to adduce sufficient evidence that supports the truth of the allegation.
[Applicant's written representations, paras 55 and 56]

[53] The Opponent made no submissions in respect of this ground to clarify or support its pleading.

[54] I agree with the Applicant that this ground is improperly pleaded as, at a minimum, section 12(1)(b) of the Act is with respect to trademarks "in the English or French language" and the Opponent has not pleaded such.

[55] In any event, the Mark clearly consists of Japanese characters and there is no evidence that the Mark has a meaning in either English or French. As such, the Opponent has failed to meet its initial evidential burden for this ground.

[56] Accordingly, the non-registrability ground of opposition based on section 12(1)(b) of the Act is rejected.

NON-DISTINCTIVENESS GROUND

[57] Pursuant to section 38(2)(d) of the Act, the Opponent pleads that the Mark is not distinctive within the meaning of section 2 of the Act because it does not actually distinguish nor is it adapted to distinguish the applied-for goods of the Applicant from the goods of others selling miso produced in the Aichi Prefecture.

[58] The material date for this ground is the filing date of the opposition [*Metro-Goldwyn-Mayer Inc v Stargate Connections Inc*, 2004 FC 1185].

[59] Section 2 of the Act defines “distinctive” as follows:

distinctive, in relation to a trademark, describes a trademark that actually distinguishes the goods or services in association with which it is used by its owner from the goods or services of others or that is adapted so to distinguish them.

[60] A trademark “actually distinguishes” by acquiring distinctiveness through use, resulting in distinctiveness in fact. On the other hand, a trademark that is “adapted so to distinguish” is one that does not depend upon use for its distinctiveness because it is inherently distinctive [*Astrazeneca AB v Novopharm Ltd*, 2003 FCA 57 at para 16].

[61] Per my preliminary remarks – and again noting that the Opponent chose not to address this ground in its written representations – I find that this ground of opposition is insufficiently pleaded. In particular, it lacks details regarding:

- the “others” who allegedly sell miso produced in the Aichi Prefecture;
- the trademarks, signs or other source indicators these “others” use in association with this specific kind of miso; and/or
- how this alleged use by others has negated the distinctiveness of the Mark.

[62] At a minimum, it was necessary for the Opponent to evidence that, as of the material date, others were selling miso produced in the Aichi Prefecture in a manner that made such goods and their source known to some extent in Canada.

[63] Further, I agree with the Applicant that the Opponent has not submitted any evidence showing Canadian consumers identify either HACCHO or HATCHO with miso produced in Aichi Prefecture. Again, at a minimum, absent such evidence, the Opponent fails to meet its initial burden for this ground.

[64] In view of all of the foregoing, the non-distinctiveness ground of opposition is rejected.

NON-ENTITLEMENT TO USE GROUND

[65] Pursuant to section 38(2)(f) of the Act, the Opponent pleads that, at the filing date of the application, the Applicant was not entitled to use the Mark in Canada in association with the applied-for goods since such use of the Mark in association with the applied-for goods amounts to a description that is false in a material respect and is likely to mislead the public as to the character, quality, composition, geographical origin or mode of manufacture or production of the applied-for goods, contrary to section 7(d) of the Act and section 52 of the *Competition Act* – accordingly, such use, at any material time, was and is unlawful.

[66] Section 38(2)(f) of the Act reads as follows:

(2) A statement of opposition may be based on any of the following grounds: ...

(f) that, at the filing date of the application in Canada, the applicant was not entitled to use the trademark in Canada in association with those goods or services.

[67] Section 38(2)(f) of the Act addresses an applicant's entitlement to use an applied-for trademark (e.g. in compliance with relevant federal legislation and other legal obligations prohibiting "use" of a trademark within the meaning of section 4 of the Act).

[68] Per my preliminary remarks above, I first note that the pleading does not clearly set out why or how use of the Mark by the Applicant would likely mislead the public and be contrary to either section 7(d) of the Act or section 52 of the *Competition Act*, RSC 1985, c C-34. Considering the statement of opposition as a whole, presumably the Opponent is relying on what it asserts the Applicant knew or ought to have known regarding the alleged geographical indication HATCHO MISO and the legislation in Japan that allegedly prohibits use of that term in Japan.

[69] However, the Opponent did not provide any representations to support this ground of opposition. As such, it is not even clear, for example, whether the two statutory provisions referenced in the pleading are meant to be interpreted and applied together, or whether the pleading should be understood as essentially two separate grounds with different statutory bases. In any event, as discussed below, it is not clear that the ground as pleaded should be considered a valid ground of opposition under section 38(2)(f) either in respect of section 7(d) of the Act or section 52 of the *Competition Act*.

[70] For its part, the Applicant submits the following in respect of this ground:

The Opponent's grounds of opposition, regarding Subsection 38(2)(f) and Section 7(d), are to address use of a mark. However, the Application was filed based on proposed use in Canada. No use of the Mark in Canada has been evidenced by either the Applicant or Opponent. Accordingly, as there is no evidence adduced that indicates use of the Mark by the Applicant for the Applicant's Goods, the Opponent cannot make out a *prima facie* case that the Applicant's use of the Mark in Canada was in violation of a federal statute. Since the Opponent cannot fulfill its initial evidentiary burden, the Opponent should fail on these grounds.

Despite the absence of any evidence indicating use of the Mark by the Applicant in Canada, it is respectfully submitted that any use of the Mark by the Applicant in Canada is not unlawful, given all the facts adduced by the Applicant in its Written Submissions. Specifically, that Canadian consumers would not be misled by such use, as to the character, quality, compositions, geographical origin or mode of manufacture or productions of the Applicant's Goods.
[Applicant's written representations at paras 77 and 78]

[71] The Applicant also submits that the onus is on the Opponent to make out a *prima facie* case that the Applicant was not entitled to use the Mark due to violation of a

federal statute. Specifically, at paragraph 76 of its written representations, the Applicant cites the following from *Institut National des Appellations d'Origine v Pepperidge Farm Inc*, 1997 CanLII 15732 (TMOB):

Where the opponent asserts that an applicant could not have been satisfied that it was entitled to use its mark because its use was in violation of a federal statute, the onus on the opponent is to make out a *prima facie* case of such (*E. Remy Martin & Co SA v Magnet Trading Corp (HK) Ltd* (1988), 23 C.P.R. (3d) 242 (TMOB) and *Co-operative Union of Canada v Tele-Direct (Publications) Inc* (1991), 38 C.P.R. (3d) 263 (TMOB)). The basis for the *prima facie* test is the usual evidential burden on an opponent respecting a Section 30 ground in an opposition proceeding, i.e. the opponent must prove the allegations of fact made in support of its ground of opposition (*Canada Post Corporation v Comdata Services Ltd* (1996), 69 CPR (3d) 398 at 405 (TMOB)).

[72] Section 7(d) of the Act reads as follows:

7. No person shall ...

(d) make use, in association with goods or services, of any description that is false in a material respect and likely to mislead the public as to

(i) the character, quality, quantity or composition,

(ii) the geographical origin, or

(iii) the mode of the manufacture, production or performance

of the goods or services.

[73] In my view, it is at best not clear whether section 7(d) of the Act can form the basis of a valid ground of opposition under section 38(2)(f) of the Act. On its face, section 7(d) appears to prohibit use of certain false or misleading descriptions in the marketplace; however, for section 38(2)(f) of the Act to apply, the absence of entitlement to use must be absolute, across Canada and, significantly, as of the material date.

[74] Even if section 7(d) of the Act could be understood to prohibit certain uses of the Mark, it does not on its face prohibit all uses, in particular considering the broad definitions of “use” applicable pursuant to section 4 of the Act.

[75] With respect to section 52 of the *Competition Act*, I first note that the Opponent merely referenced this section in its statement of opposition but did not introduce any particular provisions through its evidence or representations.

[76] Nevertheless, section 52(1) of the *Competition Act* reads as follows:

52 (1) No person shall, for the purpose of promoting, directly or indirectly, the supply or use of a product or for the purpose of promoting, directly or indirectly, any business interest, by any means whatever, knowingly or recklessly make a representation to the public that is false or misleading in a material respect.

[77] While this particular subsection is echoed in the Opponent's pleading, section 52 of the *Competition Act* is actually comprised of 11 subsections, some of which also have further subsections. Given the insufficiently-detailed pleading and lack of representations regarding this ground, it is far from clear what the Opponent intended its pleading to encompass.

[78] In any event, again, it is not clear how the *Competition Act* can form the basis of a ground under section 38(2)(f) of the Act. Section 52 appears to prohibit only certain representations that are false or misleading and, on its face, it is not an absolute prohibition of use of any trademark or the Mark at issue.

[79] In my view, it is not for the Registrar to interpret, apply and/or essentially enforce other statutes in this manner. The concept of use is fundamental to Canada's trademark regime, and the definitions of "use" under section 4 of the Act are necessarily broad and generous. Accordingly, section 38(2)(f) of the Act should not be applied lightly, especially in cases of proposed use such as this.

[80] These general comments aside, even if I were to consider this ground to be valid and sufficiently pleaded, as with the other grounds of opposition, I find the Opponent has failed to meet its initial evidential burden.

[81] In this respect, to meet its evidential burden with respect to its reliance on section 7(d) of the Act as pleaded, at a minimum, the Opponent must have evidenced that the Canadian public knew of the alleged geographic indication HATCHO MISO and

associated HATCHO MISO with a specific type of miso. Absent such evidence, the Opponent necessarily fails to meet its burden under this ground to the extent it relies on section 7(d) of the Act.

[82] With respect to the Opponent's reliance on section 52 of the *Competition Act*, to the extent this also turns on findings that HATCHO MISO was known in Canada and that use of the Mark would somehow be "false and misleading" in this respect, the evidence falls short of doing so. Accordingly, the Opponent fails to meet its initial burden under this ground to the extent it relies on section 52 of the Competition Act.

[83] Ultimately, section 38(2)(f) of the Act is not a speculative ground. In this case, the relied-upon provisions clearly do not constitute a *prima facie* prohibition of use of the Mark or of any trademark. Even if a court of competent jurisdiction had adjudicated whether the Applicant's particular use of the Mark was false or misleading, it would be the disposition of that court that would inform whether the Applicant was not entitled to use the Mark as of the material date.

[84] For all of the reasons set out above, the non-entitlement to use ground of opposition is also unsuccessful.

DISPOSITION

[85] In view of all of the foregoing, pursuant to section 38(12) of the Act and the authority delegated to me under section 63(3) of the Act, I reject the opposition.

Andrew Bene
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2023-03-06

APPEARANCES

For the Opponent: No one appearing

For the Applicant: Lorraine Pinsent

AGENTS OF RECORD

For the Opponent: Smart & Biggar LP

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