

# Canadian Intellectual Property Office

## THE REGISTRAR OF TRADEMARKS

**Citation:** 2024 TMOB 41

**Date of Decision:** 2024-03-06

## IN THE MATTER OF AN OPPOSITION

**Opponent:** 996660 Ontario Ltd. t/a Molisana Imports

**Applicant:** Falesca Importing Ltd.



**Application:** 1838474 for FALESCA MOLISANA

### INTRODUCTION

[1] Falesca Importing Ltd. (the Applicant) has applied to register the trademark FALESCA MOLISANA (the Mark), for use in association with the following foods and related products (the Applied-for Goods):

Canned tomatoes; sundried tomatoes; tomato paste; tomato puree; tomato sauce; pizza sauce; pesto sauce; dried pasta; olive oils; vinegar; canned processed olives; dried olives; olives in oil; olive pastes; preserved vegetables in oil; canned vegetables; pickled vegetables; pickled vegetables; vegetable spreads; preserved artichokes; capers; pickled peppers; preserved roasted peppers; canned processed eggplant; dried edible mushrooms; canned processed mushrooms; canned beans; canned chickpeas; canned lentils; dried beans; dried chickpeas; dried lentils; soup; dried figs; pickled onions; bruschetta spreads; tapenades spreads; fruit nectars; honey; cured meat; cookies; crackers; shopping bags; bread; frozen confectionery; frozen bread; frozen pizza; flour.

[2] 996660 Ontario Ltd., trading as Molisana Imports (the Opponent) opposes the registration of the Mark. The Opponent owns the trademarks REGINA MOLISANA, and two stylized versions of this trademark (collectively, the Opponent's Marks), and asserts that the Mark is confusing with the Opponent's Marks. The Opponent's Marks, and the goods in association with which they are registered (the Opponent's Goods), are listed below:

Trademark	Application/Registration Details	Goods
REGINA MOLISANA	App. No.: 1003844 App. Date: 1999-02-03 Reg. No.: TMA577102 Reg. Date: 2003-03-07	(1) Processed vegetables. (2) Processed meats. (3) Vegetable sauces. (4) Dried vegetables. (5) Cured meats. (6) Dried bread. (7) Pasta and olive oil. (8) Potato dumplings, biscuits, herbs and spices, cheeses, preserved fruits, cakes, and confectionery, namely, candy and chocolate
	App. No.: 1393326 App. Date: 2008-04-24 Reg. No.: TMA784082 Reg. Date: 2010-12-03	(1) Processed vegetables, processed meats, vegetable sauces, dried vegetables, cured meats, dried bread, pasta and olive oil, potato dumplings, biscuits, herbs and spices, cheeses, preserved fruits, cakes, and confectionery, namely, candy and chocolate.
	App. No.: 1471368 App. Date: 2010-03-01 Reg. No.: TMA794246 Reg. Date: 2011-03-30	(1) Processed vegetables; processed meats; sauces, namely, vegetable-based sauces, tomato-based sauces, spaghetti sauces, pizza sauces; dried vegetables; processed tomato products, namely processed tomatoes, tomato paste, chopped tomato, tomato puree, strained tomatoes; cured meats; dried bread; pasta; olive oil; vinegar; vegetable oil; potato dumplings; biscuits; herbs and spices; cheeses; preserved fruits; coffee; olives in tins and glass; cakes; confectionery, namely, candy and chocolate.

[3] The Opponent also asserts that the application to register the Mark was filed in bad faith.

[4] For the following reasons, I find that the Mark is not confusing with the Opponent's Marks, and that the application was not filed in bad faith. The opposition is therefore rejected.

### **THE RECORD**

[5] The application to register the Mark was filed on May 18, 2017, and advertised for opposition purposes on March 13, 2019.

[6] On June 17, 2019 numerous amendments to the *Trademarks Act*, RSC 1985, c T-13 (the Act) came into force. However, since the application was advertised before this date, the opposition will be assessed in accordance with the Act as it read immediately before the amendments came into force [section 70(1)(a) of the Act as amended]. Accordingly, references to the Act in this decision will be to the Act as it read immediately before June 17, 2019, unless otherwise stated.

[7] A statement of opposition was filed on August 13, 2019, pursuant to section 38(1) of the Act. A counter statement was filed on December 23, 2019.

[8] In support of the opposition, the Opponent submitted the affidavit of Frank DiBiase, dated October 23, 2020 (the DiBiase Affidavit). In support of the application, the Applicant submitted the affidavit of Michael Duchesneau, dated July 19, 2021 (the Duchesneau Affidavit). In reply, the Opponent submitted a second affidavit of Mr. DiBiase, dated February 4, 2022 (the DiBiase Reply Affidavit). None of the affiants were cross-examined on their affidavits.

[9] Both parties submitted written representations and were heard at an oral hearing.

### ***The DiBiase Affidavit***

[10] Mr. DiBiase is the Owner and President of the Opponent [DiBiase Affidavit, para 1]. He states that the Opponent was incorporated in 1992 to continue a business specializing in food importation [para 9]. He states that, in addition to the importation of

food products, the Opponent also produces, advertises and sells a variety of its own food products, in association with the Opponent's Marks [paras 10, 12].

[11] In his affidavit, Mr. DiBiase describes how the Opponent's Marks are used on the packaging and labels of the Opponent's Goods, and provides images of some products [paras 17-18, Exhibits FD-4 and FD-5]. Mr. DiBiase states that the Opponent's Goods are sold in store and online by large retail chains in Canada such as Metro, Walmart, and Loblaws [para 21], and that sales have consistently grown over the years, exceeding \$7 million per year [para 20]. Mr. DiBiase also describes various advertising activities the Opponent has undertaken to promote the Opponent's Goods and the Opponent's Marks, and the Opponent's annual expenditures in this regard from 2008 to 2020 [paras 22-45, and Exhibits FD-9 - FD-34].

### ***The Duchesneau Affidavit***

[12] Mr. Duchesneau is a law clerk employed by the Applicant's trademark agents [Duchesneau Affidavit, para 1]. In his affidavit, he provides copies of webpages he viewed from the websites of various food retailers, including Metro, Walmart, and Loblaws [paras 2-10, and Exhibits A-I]. The webpages depict the Opponent's Goods and other food products sold in association with the trademark LA MOLISANA, and suggest that both products are available for purchase at the food retailers.

[13] Mr. Duchesneau also provides copies of webpages that appear to depict other businesses using trademarks that include the word "Molisana" [para 11, and Exhibit J], and webpages relating to the region of Molise, Italy [para 12, Exhibit K]. Finally, Mr. Duchesneau provides copies of webpages that appear to be obtained from the Opponent's website [para 13, Exhibit L], which depict LA MOLISANA products and suggest that such products are sold by the Opponent.

### ***The DiBiase Reply Affidavit***

[14] In response to webpages from the Duchesneau Affidavit depicting LA MOLISANA products, Mr. DiBiase provides testimony about La Molisana S.P.A. (La Molisana), an Italian company that owns the trademark LA MOLISANA and several

stylized versions of this trademark [DiBiase Reply Affidavit, paras 5-6]. He states that La Molisana has also opposed the registration of the Mark, and provides a copy of the affidavit of Giuseppe Ferro (the Ferro Affidavit), filed in support of La Molisana's opposition [paras 7-8, and Exhibit FD-35]. The introduction of evidence from Mr. Ferro, who is not subject to cross-examination in this proceeding, raises issues of hearsay. However, the Applicant has not objected to the admissibility of the Ferro Affidavit. Indeed, both parties seek to rely on aspects of the Ferro Affidavit for the truth of its contents. In the circumstances, I will give some weight to the Ferro Affidavit.

[15] Mr. DiBiase goes on to state that the Opponent (and its predecessor before it) has been importing and selling pasta products from La Molisana since the early 1980s, and to describe the relationship between the Opponent and La Molisana [paras 11-17, and Exhibit FD-36]. He also describes his understanding of the relationship between the Applicant and La Molisana, including the fact that the Applicant previously applied to register the trademark LA MOLISANA in Canada in the 1970s [paras 18-21, and Exhibit FD-37]. Mr. DiBiase also includes images of the Applicant's social media content, which he alleges constitute attempts by the Applicant to "usurp the LA MOLISANA brand for itself" [paras 10, 25, and Exhibits FD-41 – FD-44].

### **GROUND OF OPPOSITION**

[16] The Opponent raises four grounds of opposition, which can be summarized as follows:

- The Non-registrability Ground: the Mark is not registrable because it is confusing with the Opponent's Marks;
- The Non-distinctiveness Ground: the Mark is not distinctive because it does not distinguish the Applied-for Goods from the Opponent's Goods sold in association with the Opponent's Marks;
- The Bad Faith Ground: pursuant to section 38(2)(a.1) of the Act as amended, the application to register the Mark was filed in bad faith; and

- The Section 30(i) Ground: the application does not comply with the requirements of section 30(i) of the Act because, in view of the Opponent's previous use of the Opponent's Marks, the Applicant could not have been satisfied that it was entitled to use the Mark in Canada.

[17] For each ground of opposition, there is an initial evidential burden on the Opponent to adduce evidence from which it could reasonably be concluded that the facts alleged to support that ground of opposition are true. If this initial burden is met, then the Applicant bears the legal onus of satisfying the Registrar that, on a balance of probabilities, the ground of opposition should not prevent registration of the Mark [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD)].

### **NON-REGISTRABILITY GROUND**

[18] In respect of this ground the Opponent pleads that the Mark is not registrable, having regard to section 12(1)(d) of the Act because the Mark is confusing, within the meaning of section 6 of the Act, with the Opponent's Marks [statement of opposition, para 3(c)]. Since the registration of each of the Opponent's Marks is in good standing, the Opponent meets its initial evidential burden in respect of this ground. Accordingly, the Applicant bears the legal onus of establishing, on a balance of probabilities, that the Applied-for Mark is not confusing with any of the Opponent's Marks. The material date for assessing confusion under this ground is the date of this decision [*Simmons Ltd v A to Z Comfort Beddings Ltd* (1991), 37 CPR (3d) 413 (FCA)].

### ***Test for Confusion***

[19] The use of a trademark will cause confusion with another trademark if the use of both in the same area would be likely to lead to the inference that the goods or services associated with the trademarks are manufactured, sold, leased, hired or performed (as the case may be) by the same person [section 6(2) of the Act]. The issue is to be considered as a matter of first impression in the mind of a casual consumer somewhat in a hurry, who sees the applied-for trademark at a time when they have no more than an imperfect recollection of the opponent's trademark. This casual, hurried consumer does not pause to give the matter any detailed consideration or scrutiny, nor to examine

closely the similarities and differences between the trademarks [*Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 at para 20].

[20] Applying the test for confusion is an exercise in finding facts and drawing inferences [*Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 102 (*Masterpiece*)]. All surrounding circumstances of the case must be considered, including those listed at section 6(5) of the Act, namely:

- the inherent distinctiveness of the trademarks and the extent to which they have become known;
- the length of time the trademarks have been in use;
- the nature of the goods, services or business;
- the nature of the trade; and
- the degree of resemblance between the trademarks, including in appearance or sound or in the ideas suggested by them.

### ***Inherent Distinctiveness, and Extent Known***

[21] This factor refers to the “strength” of a trademark, which is determined by both the inherent distinctiveness of the mark and any distinctiveness it may have acquired through use or reputation in the marketplace. Where a trademark could refer to many things, or is only descriptive of the goods or services at issue, it is of low inherent distinctiveness, and less protection will be afforded the mark [*United Artists Pictures Inc v Pink Panther Beauty Corp*, 1998 CanLII 9052, 80 CPR (3d) 247 at para 23 (FCA) (*Pink Panther*)].

[22] A trademark that is not inherently distinctive can acquire distinctiveness when it becomes known to the consuming public as originating from one source in particular, for example, through continual use in the marketplace [*Pink Panther* at para 24].

### Inherent Distinctiveness

[23] It is well settled that trademarks that contain descriptive words are not inherently distinctive. In particular, trademarks that refer to geographic locations are descriptive, rather than distinctive, and do not deserve a wide ambit of protection. Small differences between such trademarks will be sufficient to diminish the likelihood of confusion [*Prince Edward Island Mutual Insurance v Insurance Co of Prince Edward Island*, 1999 CanLII 7462, at para 32 (FC)]. The policy underlying this principle is that maintaining a monopoly over the use of words that describe the place of origin of goods would unduly deprive potential competitors of the opportunity to describe their own goods in the same manner [*Hidden Bench Vineyards & Winery Inc v Locust Lane Estate Winery Corp*, 2021 FC 156 at para 65 (*Hidden Bench*), citing *MC Imports Inc v AFOD Ltd*, 2016 FCA 60 at para 44]. This policy applies regardless of how well the place of origin may be known [*Hidden Bench* at para 65].

[24] In this case, it is apparent that both parties' trademarks refer to the geographic region of Molise, Italy. The evidence shows that the word "Molisana", which is included in both parties' trademarks, is a demonym for people or things from the region of Molise [Duchesneau Affidavit, Exhibit K]. Although the evidence in this regard is from Wikipedia and other websites, I do not understand the Opponent to dispute that "Molisana" is a demonym referring to the region of Molise. In any event, the Opponent had the opportunity to reply to the Wikipedia evidence in this regard, and elected not to [*ISTOCKPHOTO LP v Istockhomes Marketing Ltd*, 2018 TMOB 149, at para 34; *Virgin Enterprises Limited v Body Shop International Plc*, 2015 TMOB 37, at para 42].

[25] In view of the geographic significance of the word "Molisana", the fact that both parties' trademarks contain this word renders them fairly descriptive, or at the very least suggestive, of the place of origin of the associated goods. This descriptive or suggestive nature lowers the trademarks' inherent distinctiveness, and the ambit of protection to which they are entitled. Small differences between the parties' trademarks will be sufficient to diminish the likelihood of confusion.



[26] Considering the parties' trademarks as a whole, I find the Mark to be somewhat more inherently distinctive than the Opponent's Marks. The Mark contains the word "Falesca", which does not have any immediately apparent meaning, either by itself or in combination with "Molisana". As for the Opponent's Marks, I accept the Applicant's assertion that the word "Regina" invokes an association with a queen [Applicant's written representations, para 69]. In view of the fact that "Molisana" is a demonym, the Opponent's Marks invoke the idea of a queen from the region of Molise. While this is not entirely descriptive of the Opponent's Goods, I find the Opponent's Marks to be somewhat less inherently distinctive than the Mark.

#### Acquired Distinctiveness

[27] I find that the Opponent's Marks have acquired a substantial degree of distinctiveness, more so than the Mark. The following evidence from the DiBiase Affidavit supports the conclusion that the Opponent's Marks have become known in the Canadian market to a substantial extent, and have acquired a substantial degree of distinctiveness:

- the Opponent's Marks appear prominently on the packaging and labelling of the Opponent's Goods [Exhibits FD-4 and FD-5];
- the Opponent has made significant sales of the Opponent's Goods, which have exceeded \$7 million annually [para 20];
- the Opponent's Goods have been promoted via radio and television advertisements aired in major cities such as Toronto and Montreal, and broadcast on cable television [paras 23-26, 28, 30, and Exhibits FD-10 – FD-15 and FD-17];
- the Opponent's Goods have been promoted by Chef Pasquale Carpino, an internationally known "Singing Chef", by way of in-store demonstrations, some of which were broadcast on radio [paras 22, 27, and Exhibit FD-9];
- the Opponent's Goods have also been promoted via advertisements printed in various newspapers and magazines [paras 33-36, Exhibits FD-21, FD-22, FD-24,

FD-25], at trade shows attended by the Opponent [para 38 and Exhibits FD-26 and FD-27], on social media [paras 40-43 and Exhibits FD30 – FD-32], and in flyers produced and distributed by grocery retailers [para 44 and Exhibits FD-33 and FD-34]; and

- for the period of 2008-2020, the Opponent spent over \$2.2 million advertising the Opponent's Goods in Canada [para 45].

[28] As for the Mark, the only evidence of use or promotion comes from the DiBiase Reply Affidavit, which provides images of some of the Applied-for Goods obtained from websites and social media [paras 10 and 25-26, and Exhibits FD41 – FD-45]. This evidence does not permit me to draw any meaningful conclusions as to the extent to which the Mark has been used in Canada, and therefore the extent to which it has become known and acquired distinctiveness.

#### Conclusion on Inherent and Acquired Distinctiveness

[29] In view of all of the foregoing, it is clear that the section 6(5)(a) factor favours the Opponent insofar as that factor refers to the extent to which the trademarks have become known. However, it is important to bear in mind that the inherent distinctiveness of the trademarks must also be considered. Inherent distinctiveness cannot be ignored in the confusion analysis, even if an originally weak trademark has subsequently acquired a significant reputation [*London Drugs Ltd v International Clothiers Inc*, 2014 FC 223 at para 53 (*London Drugs*)]. As stated above, geographically descriptive trademarks are inherently weak, and small differences are sufficient to distinguish between them. Since both parties' trademarks are geographically descriptive, and the Mark is somewhat more inherently distinctive than the Opponent's Marks, I find that the section 6(5)(a) factor favours the Applicant insofar as that factor refers to the inherent distinctiveness of the parties' trademarks.

#### ***Length of Use, Nature of the Goods, and Nature of the Trade***

[30] The Opponent argues that each of these factors favour its position, because: (a) the DiBiase Affidavit establishes the Opponent's continuous use of the Opponent's

Marks for more than 20 years prior to the Applicant's use of the Mark [Opponent's written submissions, para 72]; (b) the Applied-for Goods directly and unambiguously overlap with the Opponent's Goods [para 75]; and (c) the DiBiase Affidavit establishes that the parties' goods would be sold in grocery stores and would likely appear in close proximity [para 77].

[31] At the hearing the Applicant agreed, as I do, that each of these factors favours the Opponent's position. Since the Opponent has used its trademarks in Canada longer than the Applicant has used the Mark, the parties' goods are similar and in some cases overlapping, and both parties' goods can be expected to be sold in similar areas of grocery stores, each of these factors favours the Opponent.

### ***Degree of Resemblance***

[32] Despite being the last factor listed in section 6(5) of the Act, the degree of resemblance is the factor that often has the greatest impact on the confusion analysis. Other factors become significant only once the trademarks at issue are found to be identical or very similar [*Masterpiece* at para 49].

[33] When considering the degree of resemblance, the trademarks must be considered in their entirety, and not dissected for minute examination. Nonetheless, it is possible to focus on particular feature of a trademark that may have a determinative influence on the public's perception of it [*Pink Panther* at para 34]. A preferable approach to comparing trademarks is to begin by determine whether there are aspects of the trademarks that are particularly striking or unique [*Masterpiece* at para 64].

[34] I find that this factor favours the Applicant. Both the Mark and the Opponent's Marks contain the word "Molisana" which, as discussed above, is not inherently distinctive given its geographical significance. Accordingly, I find that the other word elements of the trademarks, namely "Falesca" in the case of the Mark, and "Regina" in the case of the Opponent's Marks, are the most unique aspects of their respective trademarks. These words are both more distinctive and unique than "Molisana", when used in association with the parties' goods. These words also appear first in the parties' respective trademarks, which is important for the purpose of distinguishing trademarks

[*Conde Nast Publications Inc v Union des éditions modernes* (1979), 46 CPR (2) 183 at 188 (FCTD)]. While the word “Molisana” is displayed in larger font than the word “Regina” in the Opponent’s design trademarks, this is not necessarily determinative of which element of a trademark is most striking or unique [see *Blossman Gas, Inc v Alliance Autopropane Inc*, 2022 FC 1794 at para 107]. Even though “Molisana” is the largest word in the Opponent’s design marks, it is nonetheless geographically descriptive.

[35] I find there to be no appreciable degree of similarity between the unique aspects of the parties’ trademarks, namely “Falesca” and “Regina”. While the Opponent notes that each of these words has three syllables and ends in an “a”, such small similarities only become apparent upon detailed, side-by-side examination of these words. Such close examination is not the correct approach for assessing resemblance in the context of trademark confusion. As well, while “Falesca” does not suggest any sort of idea to the ordinary consumer, “Regina” suggests the idea of a queen.

[36] Considering the trademarks in their entirety, it is apparent that the trademarks are substantially more different than they are similar. Indeed, the only substantial point of similarity is the word “Molisana”; there is no other substantial similarity between the trademarks in appearance, sound, or ideas suggested. The mere fact that two trademarks contain a non-distinctive geographical term has been found to be insufficient, on its own to support a finding that the trademarks share any significant degree of similarity [see *London Drugs* at para 56]. I make a similar finding in this case. Considering the low inherent distinctiveness of the parties’ trademarks, and the fact that small differences are sufficient to distinguish between such trademarks, I consider the differences between the trademarks to be sufficient to distinguish the Mark.

### ***Surrounding Circumstance – State of Marketplace***

[37] The Applicant argues that the Opponent’s Marks, and in particular the term “Molisana”, are weak as trademarks because the term “Molisana” is used as part of the trademarks and business names of multiple third parties in Canada, such that none of the users of trademarks including the term “Molisana” can claim to have acquired

distinctiveness in the term [Applicant's written submissions, para 53]. In this regard, the Applicant relies on webpages that appear to depict other businesses that use trademarks incorporating the word "Molisana", including "Molisana Bakery" in Newmarket, and Mississauga, Ontario, and "La Molisana" restaurant in Montreal, Quebec [Duchesneau Affidavit, Exhibit J].

[38] The Applicant also relies on evidence of La Molisana's concurrent use of the trademark LA MOLISANA in Canada. In particular, the Applicant relies on webpages from various grocery stores, showing that these stores carry both the Opponent's Goods and La Molisana's pasta products [Duchesneau Affidavit, Exhibits A-I]. The Applicant also relies on the Ferro Affidavit (Exhibit FD-35 to the DiBiase Reply Affidavit), which provides details of the nature and extent of La Molisana's use of the trademark LA MOLISANA in Canada, in association with pasta products.

[39] The website evidence of "Molisana"-formative bakeries and restaurants is not of assistance to the Applicant. Setting aside the hearsay nature of this evidence, I accept the Opponent's submission [at paragraph 65 of its written representations] that there is no evidence that these food service businesses operate in the same channels of trade as the Opponent and Applicant, namely, the grocery business. There is also no evidence of the extent to which any of these businesses have used their respective trademarks.

[40] I reach the opposite conclusion in respect of the Opponent's co-existence alongside La Molisana and its trademark. The evidence shows that at least some grocery stores in Canada carry both the Opponent's Goods in association with the Opponent's Marks, and La Molisana's pasta products in association with the trademark LA MOLISANA [Duchesneau Affidavit, Exhibit A-I, and Ferro Affidavit, para 11]. The evidence also shows that the Opponent itself distributes both its own goods in association with the Opponent's Marks, and La Molisana's products in association with the trademark LA MOLISANA [Duchesneau Affidavit, Exhibit L, and DiBiase Reply Affidavit, paras 12, 16]. As for the extent of coexistence, the evidence shows that the Opponent and La Molisana have co-existed in the Canadian market for over 20 years,

since at least 1998 [DiBiase Reply Affidavit, paras 15-17]. The evidence also shows that since 2016, sales of LA MOLISANA pasta in Canada have exceeded €15 million [Ferro Affidavit, para 14], and over €300,000 has been spent on advertising. In view of La Molisana's extensive sales and advertising of LA MOLISANA pasta in Canada, I am satisfied that the Opponent's Goods and La Molisana's pasta products have been sold extensively alongside one another in the Canadian market, in the same channels of trade, for an extended period of time.

[41] I am also satisfied that the co-existence of the Opponent's Marks with LA MOLISANA in the Canadian market is a factor that favours the Applicant. The consequence of concurrent use of the word "Molisana" by multiple traders is that the word is not distinctive of any one of these traders [see *Milano Pizza Ltd v 6034799 Canada Inc*, 2022 FC 425, at para 102]. For the Mark to be confusing with the Opponent's Marks, some feature peculiar to the Opponent's Marks must be relied upon to establish similarity between the trademarks at issue [see *Questor Commercial Inc v Discoverer Services Ltd* (1979), 46 CPR (2d) 58 at 62 (FCTD) (*Questor*)]. As stated above, the only substantial point of similarity between the parties' trademarks is the word "Molisana". Since this word is not distinctive of the Opponent, it cannot be relied upon to establish confusion.

[42] At the hearing, the Opponent argued that the *Questor* decision addresses circumstances where a party incorporates into its trademark words that are generic and common to the trade, such as "muffler centre" (which was the phrase at issue in *Questor*). The Opponent argued that, because the word "Molisana" is only used by two traders in Canada, it is not sufficiently common or generic, and the *Questor* decision is inapplicable. However, while the distinction noted by the Opponent is certainly present, I fail to see why it should lead to a different outcome in the present case. In *Questor*, the Federal Court found that no trader was entitled to monopolize the words "muffler centre" and "muffler" because they are generic and common to the trade [*Questor* at 62]. As explained above, traders are also not entitled to monopolize the word "Molisana", both because it has been used extensively by more than one trader, and because it is

geographically descriptive. While the reasons why traders are not entitled to monopolize these words may differ, the result is the same.

[43] The Opponent also argues that it and La Molisana have agreed that their respective trademarks can co-exist without consumer confusion, and have worked together to ensure that there is no confusion between their trademarks. As for the Mark, both the Opponent and La Molisana agree that the Mark is confusing with both of their respective trademarks, and cannot co-exist with them [Opponent's written representations, paras 87-88]. However, what the Opponent and La Molisana have agreed to, in respect of both their own co-existence and confusion with the Mark, is not determinative of the issue of confusion between the Mark and the Opponent's Marks. The fact remains that, in the absence of a license arrangement between the Opponent and La Molisana, any trademark or element thereof that is used by both of them is not distinctive of either of them [see *Milano Pizza* at para 148]. It follows that consumers will not likely infer that goods sold in association with the Mark and with the Opponent's Marks emanate from the same source, based solely on the presence of an element that consumers have seen used extensively by more than one trader.

### ***Conclusion regarding confusion***

[44] Having considered all of the surrounding circumstances of the case, I am satisfied that the likelihood of confusion between the Mark and the Opponent's Marks is, at best for the Opponent, somewhat less than even. I reach this conclusion primarily because the parties' trademarks are inherently weak, small differences are sufficient to distinguish such trademarks from one another, and the parties' trademarks are substantially more different than they are similar. Since the only point of similarity between the trademarks is the word "Molisana", which is geographically descriptive and has been used extensively by at least one other trader in the Canadian market for grocery products, I find that the chances of an average consumer inferring a common source between the parties' goods to be somewhat less than even. I reach this conclusion despite the distinctiveness acquired by the Opponent's Marks as a whole, and the other factors that favour the Opponent.

[45] In view of all the foregoing, I am satisfied that the Mark is not unregistrable on account of section 12(1)(d) of the Act. Since the Applicant has met its legal onus, the Non-registrability Ground is rejected.

#### **NON-DISTINCTIVENESS GROUND**

[46] In respect of this ground the opponent pleads that the Mark is not distinctive, within the meaning of section 2 of the Act, in that it does not distinguish the Applied-for Goods from the goods of others, including the Opponent's Goods associated with the Opponent's Marks, nor is the Mark adapted to so distinguish the Applied-for Goods [statement of opposition, para 3(d)]. The Opponent argues that the Mark is confusing with the Opponent's Marks, which are distinctive of the Opponent, and that the Mark was not and could not be distinctive of the Applicant [Opponent's written representations, para 92]. However, since I have found on a balance of probabilities that the Mark is not confusing with the Opponent's Marks, it follows that the Mark can distinguish the Applied-for Goods from the Opponent's Goods. The Non-distinctiveness Ground is therefore rejected.

#### **BAD FAITH GROUND AND SECTION 30(1) GROUND**

[47] In respect of the Bad Faith Ground the Opponent pleads that, pursuant to section 38(2)(a.1) of the Act as amended, the application was filed in bad faith, for the reasons stated at paragraph 3(b) of the statement of opposition. However, since the application was advertised for opposition purposes prior to June 17, 2019, the opposition is to be assessed in accordance with the Act as it read immediately before this date [section 70(1)(a) of the Act as amended]. Section 38(2)(a.1) of the Act did not exist prior to June 17, 2019, so this ground of opposition cannot be relied upon in respect of this application. The Bad Faith Ground is therefore rejected.

[48] As for the Section 30(i) Ground, Opponent pleads that the application does not comply with the requirements of section 30(i) of the Act in that the Applicant could not have been satisfied that it was entitled to use the Mark in Canada, in association with the Applied-for Goods, since at the filing date of the application the Applicant was or



should have been aware of the Opponent's previous use in Canada of the Opponent's Marks.

[49] Section 30(i) of the Act has been relied on by some parties as imposing a duty of good faith on trademark applicants [*Chamberlain Group, Inc v Lynx Industries Inc*, 2010 FC 1287, at para 53 (*Chamberlain Group*)]. In the present case, the Opponent relies on section 30(i) in this manner. The Opponent argues that the Applicant was fully aware that the Mark was confusing with the Opponent's Marks, and that the Applicant selected the Mark as a deliberate effort to confuse consumers [Opponent's written representations, para 94]. The Opponent points to several actions of the Applicant that it claims are repeated attempts to trade on the goodwill of an existing, long-established brand to cause confusion in the marketplace [Opponent's written representations, paras 96-101].

[50] It is apparent that the Opponent's position on this ground is based on the premise that the Mark is confusing with its marks. The Federal Court has held that in such cases, the relevant issue is really one of confusion; if an applied-for trademark is not confusing with another trademark, no amount of bad faith can make it confusing [*Chamberlain Group*, at para 53]. Furthermore, when asked at the hearing whether the Opponent's bad faith-based grounds could succeed if the parties' trademarks were found not to be confusing, the Opponent's agent stated that, in the absence of a finding of confusion there would be no "nourishment" for the bad faith-based grounds. I agree. Accordingly, since I have found that the trademarks are not confusing, the Section 30(i) Ground is rejected.

**DISPOSITION**

[51] Pursuant to the authority delegated to me under section 63(3) of the Act, I reject the opposition pursuant to section 38(12) of the Act.

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Jaimie Bordman  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

# Appearances and Agents of Record

**HEARING DATE:** January 16, 2024

## **APPEARANCES**

**For the Opponent:** Mark Davis

**For the Applicant:** Kwan T. Loh

## **AGENTS OF RECORD**

**For the Opponent:** Cassels Brock & Blackwell LLP

**For the Applicant:** Smart & Biggar LP