



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2025 TMOB 17

Date of Decision: 2025-01-27

IN THE MATTER OF AN OPPOSITION

Opponent: Canada Bread Company, Limited

Applicant: Green Gourmand Foods Inc.

Application: 1,918,442 for ALLERGY SMART

INTRODUCTION

[1] Canada Bread Company, Limited (the Opponent) opposes registration of the trademark ALLERGY SMART (the Mark), which is the subject of application No. 1,918,442 filed by Green Gourmand Foods Inc. (the Applicant) in association with:

CI 30 (1) Bakery goods, namely, breads, muffins, cakes and granolas;
Brownies; Cookies; Pastries.

[2] The opposition is primarily rooted in an allegation that the Mark is confusing with the Opponent's SMART and SMART-formative trademarks previously registered/used in Canada in association with similar and/or related goods (collectively, the Opponent's Registered Trademarks or the SMART Marks, the particulars of which are reproduced in Schedule A below).

[3] For the reasons that follow, the opposition succeeds.

OVERVIEW OF THE PROCEEDING

[4] The application for the Mark was filed on September 5, 2018 based on proposed use in Canada, with a claimed priority filing date of March 5, 2018 relying on a corresponding application in the US.

[5] The application was advertised for opposition purposes in the *Trademarks Journal* on December 15, 2021.

[6] On February 10, 2022, the Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). The Act was amended on June 17, 2019. As the application for the Mark was advertised after this date it is the Act, as amended, that applies [section 69.1 of the Act].

[7] The statement of opposition raises grounds based on non-compliance with section 38(2)(a) in conjunction with sections 30(2) and 30(3) of the Act, non-registrability of the Mark under sections 38(2)(b)/12(1)(d) of the Act, non-entitlement of the Applicant to register the Mark under sections 38(2)(c)/16(1) of the Act, non-distinctiveness of the Mark under sections 38(2)(d)/2 of the Act, bad faith of the Applicant under section 38(2)(a.1) of the Act, non-entitlement of the Applicant to use the Mark under section 38(2)(f) of the Act, and no use/no proposed of the Mark under section 38(2)(e) of the Act, as reproduced in full in Schedule B below.

[8] The Applicant filed and served a counter statement denying all the grounds of opposition. Both parties filed evidence that is briefly overviewed below and discussed in more detail, where and if appropriate, in the analysis of the grounds of opposition. Both parties also filed written representations and attended a hearing.

OVERVIEW OF THE EVIDENCE

[9] In support of its opposition, the Opponent filed the affidavit of Denis Jakovic and two affidavits of Tania Goecke. Mr. Jakovic is a law student with the Opponent's agent and introduces into evidence excerpts he printed from the Canadian Trademarks Database concerning the trademark registrations relied-upon by the Opponent. Ms. Goecke is Vice President Marketing of the Opponent and, in her first affidavit, she provides some information on its business, including its corporate history and the advertising, promotion and use of its relied-upon trademarks in Canada. The additional Goecke affidavit merely supplements the first Goecke affidavit with further details with respect to the Opponent's sales.

[10] In support of its application, the Applicant filed the affidavits of Ruopeng Song and Shane Bacher. Mr. Song is a law student with the firm representing the Applicant and introduces state of the register evidence in the form of various printouts from the Canadian Trademarks Database, as well as the results of an online search he conducted on the website *www.metro.ca* for products that included the word SMART. Mr. Bacher is a Founder and President of the Applicant and introduces into evidence the results of his visit to a Loblaws store in North York, Ontario to purchase food products "which included SMART as an element of [their] trademark". This evidence mainly aims to support the Applicant's contention that SMART is commonly used by a wide variety of traders in association with various food products, including baked goods. Mr. Bacher also provides information with respect to the Applicant's business, including the advertising, promotion and use of the Mark in Canada.

[11] Ms. Goecke as well as Messrs. Song and Bacher were cross-examined on their affidavits. The corresponding transcripts and responses to undertakings form part of the record.

PARTIES' RESPECTIVE BURDEN OR ONUS

[12] 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. Once that burden is met, the Applicant then bears the legal onus of establishing, on a balance of probabilities, that no grounds of opposition prevent registration of the Mark [*John Labatt Limited v The Molson Companies Limited* (1990), 30 CPR (3d) 293 (FCTD); *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA)].

ANALYSIS OF THE GROUNDS OF OPPOSITION

Grounds withdrawn

[13] At the hearing, the Opponent withdrew the grounds of opposition alleging non-compliance with section 38(2)(a) in conjunction with sections 30(2) and 30(3) of the Act as set out in paragraphs 9(a) and (b) of its statement of opposition. These will therefore not be further discussed.

Grounds summarily rejected

[14] As for the grounds of opposition based on bad faith (under section 38(2)(a.1)), no use/no proposed use of the Mark (under section 38(2)(e)) and the non-entitlement of the Applicant to use the Mark because it was confusing with one or more of the Opponent's SMART Marks (under section 38(2)(f)) as respectively set out in paragraphs 9(c), (g) and (h) of the statement of opposition, they are summarily rejected because they are either improperly or insufficiently pleaded and/or on the basis that the Opponent has failed to meet its initial evidential burden.

Ground based on non-registrability of the Mark under section 12(1)(d)

[15] The Opponent made no substantive representations with respect to any of its other pleadings, aside from the ground of opposition based on

non-registrability under section 12(1)(d) set out in paragraph 9(d) of the statement of opposition.

[16] More specifically in this regard, the Opponent alleges that the Mark is not registrable because it is confusing with the Opponent's Registered Trademarks.

[17] Having exercised the Registrar's discretion to check the register, I note that all of the Opponent's registrations listed in Schedule A are in good standing as of the date of this decision. As the Opponent has met its initial burden with respect to this ground of opposition, the Applicant must now establish, on a balance of probabilities, that there is not a reasonable likelihood of confusion between the Mark and any one of the Opponent's Registered Trademarks.

[18] In this respect, aside from a brief explanation of the variations in its branding according to Canadian regions, the Opponent makes little to no distinction between its pleaded registered trademarks when assessing likelihood of confusion in its written representations. At the hearing, however, the Opponent focussed its submissions on the trademark SMART subject of registration No. TMA827,840. As I consider it to represent the Opponent's strongest case, I will do the same with my analysis.

[19] To loosely paraphrase the Registrar's comments in *The Coca-Cola Company and Energy Brands Inc v Groupe Bolema Inc*, 2018 TMOB 45 at paragraph 70, I should note at this juncture that I am aware that there have been several past decisions—most from the Registrar but also from the Federal Court—concerning trademarks with the word SMART as a component. In some instances, the oppositions were successful and in others, they were not. Ultimately, however, the outcome of each case depends on its own particular facts and evidence.

Test for confusion

[20] The test for confusion is set out in section 6(2) of the Act which provides that the use of a trademark causes confusion with another if the use of both trademarks in the same area would likely 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 appear in the same class of the Nice Classification.

[21] Therefore, section 6(2) of the Act does not concern confusion of the trademarks themselves, but of the goods from one source as being from another. Also, where it is likely the public will assume an applicant's goods or services are approved, licensed, or sponsored by the opponent so that a state of doubt and uncertainty exists in the minds of the purchasing public, it follows that the trademarks are confusing [see *Glen-Warren Productions Ltd v Gertex Hosiery Ltd* (1990), 29 CPR (3d) 7 (FCTD) at para 21].

[22] In applying the test for confusion, I must take into consideration all the relevant surrounding circumstances, including those listed in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trademarks and the extent to which they have become known; (b) the length of time they have been in use; (c) the nature of the goods or business; (d) the nature of the trade; and (e) the degree of resemblance between the trademarks including in appearance or sound or in the ideas suggested by them. These criteria are not exhaustive and different weight can be assigned to each one in a context-specific assessment [see *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23; and *Mattel, Inc v 3894207 Canada Inc*, 2006 SCC 22 at para 54].

[23] It has also been held that the resemblance between the trademarks is often likely to have the greatest effect on the confusion analysis. As a result,

it has been suggested that a consideration of resemblance is where most confusion analyses should start [see *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 49].

Degree of resemblance

[24] When considering this factor, the law is clear that the trademarks must be considered in their totality and not dissected into their component parts. The appropriate test is not a side-by-side comparison but an imperfect recollection in the mind of a consumer of an opponent's trademark [*Veuve Clicquot*, above, at para 20]. The preferable approach is to begin the confusion analysis by determining whether there is an aspect of each trademark that is particularly striking or unique [*Masterpiece*, above, at para 64].

[25] The striking or dominant (and only) element of the Opponent's trademark is SMART. To the extent that this element also forms part of the Mark, I find that there is a fair resemblance between the trademarks at issue visually and aurally, although somewhat less so conceptually due to the allergies/allergens reference imparted only by the Mark. Nevertheless, as will be further discussed below, the trademarks both convey the idea that the parties' goods (being better/healthier) are a smart choice for consumers.

[26] The Applicant submits that the word ALLERGY is the dominant and distinctive feature of the Applicant's trademark and that this is particularly so where the word ALLERGY is suggestive of a particular feature of its product; that SMART would not be perceived as the dominant element that a consumer would fixate on; and that this is reinforced by the Bacher affidavit, as it shows the manner in which the Mark is used, whereby ALLERGY is featured prominently as not only the first word but typically right at the very top of the Applicant's packaging.

[27] Although in some cases the first element of a trademark may prove the most important for the purpose of distinction, when it is a common descriptive word, its importance diminishes. In this case—again, as will be further discussed below when considering the inherent distinctiveness of the parties’ trademarks—ALLERGY is a dictionary term with a highly suggestive if not descriptive connotation that in my view serves to more clearly define or provide context for the ideas conveyed by the Mark. For example, the Mark could be perceived as implying that the Applicant’s goods are a smart choice for consumers including because they are allergy safe. It could also suggest that consumers are wise about or know how to deal with allergies (*i.e.* that they are “allergy-smart” such as in the sense of “book-smart” or “street-smart”). Whatever the case, I do not consider that ALLERGY would be perceived as the striking or dominant element of the Mark. I am rather of the view that the Mark as a whole, namely ALLERGY SMART, including the ideas it suggests is what would be perceived as striking or would stand out.

[28] I would add that in assessing the likelihood of confusion, possible future presentations of a trademark available to a registered trademark owner and an applied for trademark owner must be considered in respect of word marks. The trademarks at issue here are word marks and the parties are therefore entitled to use them in any form including in a different font, style of lettering or placement [see *Masterpiece*, above, at paras 55-58; *Cheah v McDonald’s Corporation*, 2013 FC 774 at paras 3-4; *Pizzaiolo Restaurants Inc v Les Restaurants La Pizzaiolle Inc*, 2016 FCA 265 at para 24; and *Arterra Wines Canada, Inc v Diageo North America, Inc*, 2020 FC 508 at paras 62-63]. To wit, the manner in which the Mark is displayed—on the Applicant’s website and packaging for example—has already evolved since the Applicant first started using it in association with some of its goods [e.g. Bacher affidavit, Exhibit A vs Exhibits C-D; see also page 19 of Bacher cross-examination transcript]. Similarly, as the Opponent seems to be

“revamp[ing] the brand” [per Goecke responses to undertakings Q45-47 and Q128-130], it could potentially relaunch and eventually use its registered trademark in ways much more similar to those of the Applicant illustrated in the Bacher affidavit.

[29] On balance, accordingly, I find that the degree of resemblance (*i.e.* section 6(5)(e)) factor favours the Opponent.

Inherent distinctiveness and extent known

[30] I have consulted the *Merriam-Webster* online dictionary which defines SMART, as an adjective, to mean “having or showing a high degree of mental ability: intelligent, bright” and “witty, clever”. The same source defines ALLERGY, as a noun, to mean “altered bodily reactivity (such as hypersensitivity) to an antigen in response to a first exposure”, “exaggerated or pathological immunological reaction ... to substances ...” and “medical practice concerned with allergies”. [See *Tradall SA v Devil’s Martini Inc*, 2011 TMOB 65 re the Registrar’s discretion to take judicial notice of dictionary definitions.]

[31] Also of note is that the Opponent’s evidence contains multiple references to the features of its goods, including allusions to their positive and healthy attributes (such as being made with whole grain, being a source of fibre, of essential nutrients and having zero/no trans fat), as well as wordplay on the word SMART (such as “That’s Smart!”, “Now that’s Smart!”, “C’est Smart!” and “Ça c’est « Smart »!” on product packaging and such as “Le moyen le plus brillant de stimuler les profits”, “La nouveauté la plus brillante depuis l’invention du pain tranché!” and “Soyez de plus en plus Smart” on distributors promotional product sell sheets) often in proximity or in close succession [see for example Goecke affidavit, Exhibits TG-5 and TG-7; see also Applicant’s written representations at pages 16-18].

[32] For its part, the Applicant's evidence is that its goods are free of the "top ten" allergens—gluten, egg, peanut, tree nut, dairy, sesame, soy, mustard, shellfish, and sulphites—and that they are separately wrapped to prevent cross contamination, which "makes them ... ideal ... for people with allergies and situations where exposure to allergens is a concern". It also includes references to positive and healthy attributes such as the goods containing real, plant-based ingredients, being gluten-free, vegan and kosher, using organic and sustainably sourced ingredients without any fillers or chemicals, being inclusive, and aligning with the needs/expectations of the "'Better-For-You' Consumer" [see for example Bacher affidavit, paras 4-5, 9-10 and Exhibits A, C and G].

[33] Overall, the parties' trademarks are both composed of ordinary dictionary words and both hint at their goods being better/healthier and thus a smart choice. The Opponent's trademark consists of the laudatory word SMART, while the Mark consists of a combination of this same word prefixed by the word ALLERGY which has a suggestive or descriptive meaning with respect to the Applicant's allergen free and allergy safe goods. So in this context, relative to the trademark SMART, the combination of ALLERGY with SMART does not contribute to the inherent distinctiveness of the Mark. Accordingly, the trademarks at issue possess in my view a similarly low degree of inherent distinctiveness.

[34] The strength of a trademark may be increased by it becoming known through promotion or use. I therefore have to consider the extent to which the trademarks at issue have become known in Canada.

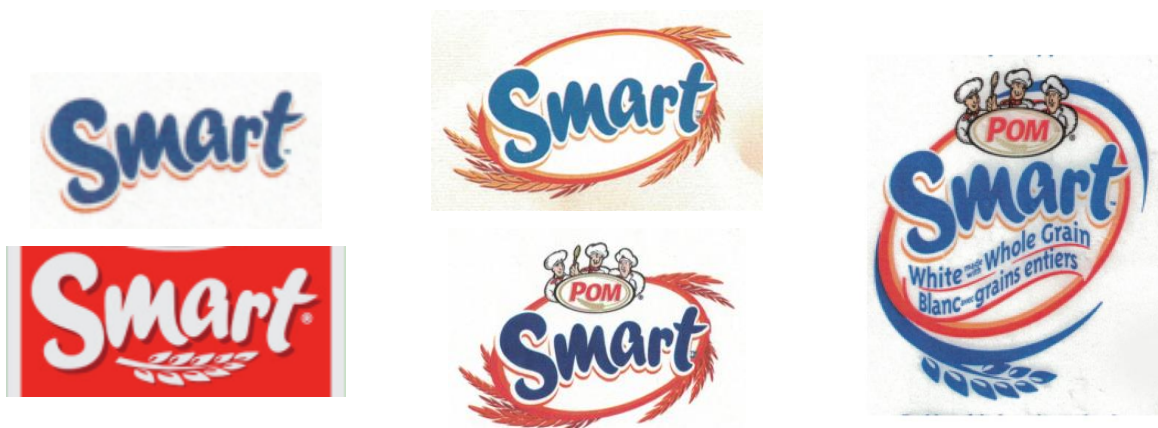
[35] The Opponent essentially submits that the SMART Marks have become very well known throughout Canada due to their wide and extensive use. More specifically, the Opponent submits its evidence shows that the SMART Marks have acquired substantial distinctive character in Canada, having

become famous as a result of impressive sales, advertising and promotion. Ms. Goecke's evidence in this regard includes:

- A statement that starting 2005, goods on which the SMART Marks are affixed have been widely distributed and sold to consumers in Canada, through various distribution channels, including grocery stores, supermarkets, convenience stores and through the food service industry, including restaurants, canteens, schools, hospitals and food fairs [first Goecke affidavit, para 29].
- Representative samples of packaging [first Goecke Affidavit, paras 21-22; Exhibit TG-5] and invoices between 2006 and 2017 relative to the sale of goods on which the SMART Marks have been affixed [first Goecke affidavit, para 23; Exhibit TG-6]. Ms. Goecke specifies that the relevant goods are identified with "SMART", "SMAR" or "SMA" in the description of said invoices [first Goecke affidavit, para 24].
- Additional sample invoices ranging from 2019 to 2021, but this time specifically stated to be with respect to sales of goods on which the mark SMART (TMA827,840) has been affixed [additional Goecke affidavit paras 6-7; Exhibit TG-11].
- Approximate annual sales figures for the most part in units and dollars of all goods sold in Canada by the Opponent in association with the SMART Marks between 2009 and 2022, showing 157 million units of bakery goods sold during this period and totaling over \$403 million [first Goecke affidavit, para 30; Goecke responses to undertakings, Q130].
- A statement that approximate investments of \$3.4 million in 2009, \$6.8 million in 2010, \$2.8 million in 2011, and over \$500,000 in subsequent years until 2019 were incurred for the promotion of the SMART Marks [first Goecke affidavit, para 41].

- A listing of the Opponent's promotional and advertising efforts relative to the SMART Marks including: product sell sheets for Canadian distributors notably showing in-store promotional material [first Goecke affidavit, para 31, Exhibit TG-7]; sponsorship in Canada of the Montreal Canadiens hockey team [first Goecke affidavit, paras 32-34; Exhibit TG-8; Goecke responses to undertakings, Q185-193]; display of some of the SMART Marks on delivery trucks and trailers traveling throughout Canada (80 delivery trucks and 8 trailers remaining as of November 2023) [first Goecke affidavit, paras 35-36, Exhibit TG-9; Goecke responses to undertakings, Q197-198]; appearances in weekly grocery flyers [first Goecke affidavit, para 37; Exhibit TG-10]; and television advertising [first Goecke affidavit, paras 38-40].

[36] I should mention at this juncture that the Opponent's evidence speaks to its use of many stylized versions of the trademark SMART (including with additional wording and design elements) such as the ones shown below, use that in my view also speaks to use of the word mark which preserves its identity and remains overall recognizable as a matter of first impression [per *Canada (Registrar of Trade Marks) v Cie internationale pour l'informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA); and *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB)].



[37] The Applicant rightly raises some deficiencies in Ms. Goecke's evidence, such as the lack of any breakdown of the provided figures. The Applicant also submits that little or no weight should be given to the sales information presented by Ms. Goecke and that the Opponent ultimately cannot benefit from any level of acquired distinctiveness notably because of the significant decrease in the quantum of the Opponent's sales until goods admittedly stopped being sold since February 2022; and because of the Opponent's involvement in a very significant, long term price fixing scandal [see Applicant's written representations at pages 18-29 and 50-54].

[38] On the other hand, the Applicant submits that it has increasing sales in association with the Mark year over year, including significantly more sales in Canada in 2022 and 2023 and that, if anything, this factor should favour the Applicant given that its use is more significant and recent.

[39] Mr. Bacher's evidence with respect to the extent to which the Mark has become known includes:

- Statements that the Applicant manufactures and sells packaged brownies and cookies and that sales under the Mark started in approximately September 2018 in association with brownies and in approximately May 2019 in association with cookies [Bacher affidavit, paras 3 and 13-14].
- Statements that the Applicant sells through wholesalers, distributors, retailers and directly to consumers through its website; that its retailers include grocery stores, health & food specialty stores and specialty retailers; and that there is nationwide coverage for sales of the Applicant's brownies and cookies through some wholesalers and distributors, as well as through retailers such as Walmart, Whole Foods, *Well.ca* and *Amazon.ca* [Bacher affidavit, paras 6-8].

- Website excerpts showing representative samples of packaging and packaging proofs for the brownies and cookies sold in association with the Mark [Bacher affidavit, para 11; Exhibit A].
- Information of the Applicant's website including traffic information [Bacher affidavit, para 12; Exhibit B; Bacher cross-examination transcript at pages 16-17; Bacher responses to undertakings U-5 and U-6].
- Annual sales figures for brownies and cookies sold by the Applicant in association with the Mark between 2019 and 2021 as well as estimated sales figures for 2022 (also encompassing US sales) ranging between \$52,000-\$440,000 and totaling \$814,000. Projected sales figures for both Canada and the US for 2023 are also provided in the amount of \$2 million [Bacher affidavit, para 15; Bacher cross-examination transcript at pages 12, 15-16; Bacher responses to undertakings U-4].
- A statement that the Applicant spends approximately 25% of its sales per year on advertising, and has spent approximately \$75,000 on keyword advertising on Amazon over the last four years [Bacher affidavit, para 19].
- Information on the Applicant's promotional and advertising efforts relative to the Mark including: in-store demonstrations, attendance at tradeshow and events [Bacher affidavit, para 16; Exhibit E]; social media presence (Facebook, Instagram and Tik Tok) [Bacher affidavit, para 17; Exhibits F and H; Bacher cross-examination transcript at pages 28-29]; and copies of representative advertising and promotional materials for wholesalers and distributors [Bacher affidavit, para 18; Exhibit G; Bacher cross-examination transcript at pages 29-30].

[40] With respect to the Applicant's evidence, the Opponent rightly submits that sales of goods bearing the Mark are overall substantially lesser than the

ones of goods bearing the SMART Marks, that in any event these have been inflated as some occurred in the US in 2022, and that similarly, the Applicant's website had less traction in Canada than the Bacher affidavit initially let on as that year only a portion of the website visitors were Canadians [see Opponent's written representations at pages 20-23].

[41] There are indeed shortcomings in both parties' evidence. As already mentioned, Ms. Goecke does not provide any breakdown of the Opponent's sales figures and almost exclusively makes generalised statements with respect to all of the SMART Marks. Despite these, however, and based on a fair review of the issue before me, I am prepared to accept that the Opponent's trademark SMART was used at least between the dates of first use claimed in registration No. TMA827,840 (namely 2006/2007) and 2022 in association with its registered products and was well known in association with same (notably as per the invoices, sales information and samples of packaging provided by Ms. Goecke). In this regard, the Opponent's sales are not insignificant and—while they are not particularized, in view of Ms. Goecke evidence as a whole and of my comments above at paragraph 36 regarding the variations of the trademark SMART displayed therein—I find it appropriate to infer that a noteworthy portion of them relate to the Opponent's trademark SMART.

[42] I also accept that the Mark has been used in Canada since approximately September 2018 in association with brownies and May 2019 in association with cookies and has therefore become known to at least some extent in association with such goods.

[43] In view of the above, I conclude that the overall consideration of the section 6(5)(a) factor, which involves a combination of inherent and acquired distinctiveness of the parties' trademarks, favours the Opponent. To summarize, this is mainly as I find that the Mark is less known than the

Opponent's trademark SMART. The fact that this trademark is no longer in use does not in my view so lessen the extent to which it has become known in this case to tip this factor in the Applicant's favour (especially as its promotion in some respect subsists [Goecke responses to undertakings Q197-198]). As for the Applicant's price fixing argument, to say the least, there simply is no evidence on record to support it.

Length of time in use

[44] The Applicant, referring to the revamping of the Opponent's brand, essentially submits that the Opponent has made a voluntary business decision to cease use of the SMART Marks in Canada as of February 2022; that, while on a strict sense, the Opponent has priority in that it has prior use of its trademarks, it should be unable to rely on such historical use where they are currently no longer in use (and have not been for over two years); and that if anything, this factor should favour the Applicant given that it is the only party that is currently using their trademark.

[45] The Applicant cited no authority for this argument and, while it is not uninteresting, I am not convinced (nor was a substantive attempt made to convince me) that I should accept it.

[46] Section 6(5)(b) of the Act refers to the length of time the trademarks at issue have been in use. Notwithstanding the Applicant's submissions, whether I consider the earliest use evidenced by the parties or the length of the period during which each of the trademarks was in use to date (or both), in light of the above discussion, this factor favours the Opponent.

[47] I would add in this respect that this is not a ground based on sections 38(2)(c) and 16 of the Act, where abandonment of an opponent's trademark may be at issue. In any event, the evidence as of the relevant dates for the

pleaded section 16 ground in this case would not support a finding of abandonment.

Nature of the goods or business and nature of the trade

[48] The goods covered by the Opponent's registration No. TMA827,840 are "Bakery products, namely breads. Hot dogs buns and hamburgers buns. English muffins, bagels and tortillas".

[49] So to the extent that the trademarks at issue both cover "breads", there is a clear overlap between the parties' goods. Considering that a muffin can refer to "a quick bread made of batter containing egg and baked in a pan having cuplike molds" (*Merriam-Webster* online dictionary) and to "small, flat, sweet bread rolls that you eat hot with butter" (*Collins* online dictionary), I find there is additional overlap between the Opponent's "breads" and "English muffins" and the Applicant's "muffins". While the rest of the Applicant's goods included in the subject application are arguably more different than those listed in the Opponent's registration, I would be hard-pressed to consider them completely unrelated.

[50] To the extent that both parties indicate sales to grocery stores, there is also overlap in their channels of trade. The Applicant concedes as much in its written representations [see pages 31-33]. To the extent that both parties' goods are aimed at consumers interested in acquiring better/healthier meal/snack options (including families with children), they also target the same purchasers.

[51] While not determinative, it is further interesting to note that the Opponent's evidence presented in the first Goecke affidavit showcases, at least at some point in time around 2008, its trademark SMART in association with cupcakes (referred to in French as *gâteaux* and *petits gâteaux*) that also appear to have been separately wrapped [see Exhibit TG-7].

[52] Accordingly, notwithstanding the Applicant's submissions, I find that the sections 6(5)(c) and (d) factors favour the Opponent.

Additional surrounding circumstances

Famous character of the Opponent's trademarks

[53] The Opponent pleads that one or more of the SMART Marks are famous and that such fame extends beyond the goods and services for which they are registered.

[54] In view of my findings above regarding the sections 6(5)(c) and (d) factors, it is unnecessary to discuss this submission.

Family of trademarks

[55] The Opponent also pleads that it has a family of SMART-formative trademarks (including the Opponent's Registered Trademarks) and that it is therefore deserving of a broader scope of protection.

[56] Where there is a family of trademarks, there may be a greater likelihood that the public would consider a similar trademark to be another trademark in the family and consequently, assume that the product or service that is associated with that trademark is manufactured or performed by the same person [see *Everex Systems Inc v Everdata Computer Inc* (1992), 44 CPR (3d) 175 (FCTD), citing *Kabushiki Kaisha Edwin, also trading as Edwin Co Ltd v SDB Design Group Inc* (1986), 9 CPR (3d) 465 (FCTD)]. There is, however, no presumption of the existence of a family of marks in opposition proceedings. So, the Opponent must establish that it is using more than one or two trademarks within the alleged family.

[57] I will start by noting that the Opponent has not specifically identified any other trademarks aside from the Opponent's Registered Trademarks upon which to rely with respect to this surrounding circumstance.

[58] As for the trademarks that the Opponent did identify, there are issues with its evidence that prevent me from expanding their scope of protection.

[59] In particular, as indicated above and contrary to what is required with respect to this surrounding circumstance, the Opponent's evidence does not address each of its asserted trademarks individually (*e.g.* whatever sales or advertising information is provided by Ms. Goecke, it is not broken down by trademark but rather consists of aggregate figures and statements). It is therefore not possible for me to determine the extent of use or promotion of the marks comprising the Opponent's alleged family of trademarks. So I do not consider that the Opponent here may effectively assert a family of trademarks.

[60] Accordingly, this is not a surrounding circumstance assisting the Opponent.

Lack of actual confusion

[61] The Applicant pleads that there have been no instances of actual confusion in the marketplace, nor has the Opponent supplied any evidence in this respect.

[62] More specifically, the Applicant submits that the lack of actual confusion is a relevant and significant additional consideration since the parties both sold products in Canada from 2019 (first full year of Applicant's business) to February 2022 (when Opponent ceased using its marks in Canada), and that this represents over three years of marketplace co-existence without a single instance of actual confusion entered into evidence by either party.

[63] However, first, an opponent does not need to submit evidence of instances of actual confusion even where trademarks are shown to have operated in the same market area for a long time. Second, an adverse

inference may be drawn from the absence of such evidence but only when concurrent use of both parties' trademarks has been *extensive* [see *Dion Neckwear Ltd v Christian Dior, SA* (2002), 20 CPR (4th) 155 (FCA); *Mr Submarine Ltd v Amandista Investments Ltd* (1987), 19 CPR (3d) 3 (FCA); and *Mattel*, above]. In my view, this is not the case here.

[64] For one thing, the Applicant does not specify when nationwide coverage for its sales began. Also, I would not qualify the overall use evidenced by the Applicant for the Mark as extensive. The same goes for the period during which the parties' trademarks have coexisted. I am therefore reluctant to draw an adverse inference from the absence of any instances of actual confusion.

[65] Accordingly, this is not a surrounding circumstance assisting the Applicant.

State of the register and marketplace evidence

[66] State of the register evidence is introduced to show the commonality or lack of distinctiveness of a trademark or of a portion of a trademark. It is established that where trademarks contain a common element that is also contained in a number of other trademarks in the same market, this tends to cause consumers to pay more attention to the marks' other non-common features to distinguish them [*K-Tel International Ltd v Interwood Marketing Ltd* (1997), 77 CPR (3d) 523 (FCTD)].

[67] Such evidence is relevant only insofar as it allows for inferences concerning the state of the marketplace, which can only be drawn when a significant number of relevant extant registrations are located and/or where there is evidence of common use in the marketplace of relevant third party marks [*Kellogg Salada Canada Inc v Maximum Nutrition Ltd* (1992), 43 CPR (3d) 349 (FCA); *McDowell v Laverana GmbH & Co KG*, 2017 FC 327].

Relevant trademarks to consider are notably those that are for similar goods as the trademarks at issue and include the component at issue in a material way [*Sobeys West Inc v Schwan's IP, LLC*, 2015 TMOB 197 at para 38, aff'd 2017 FC 38].

[68] Relying on the evidence of Messrs. Song and Bacher, the Applicant pleads the dilution of the term SMART and, as indicated above, submits that it is commonly used by a wide variety of traders notably in association with various food products [Applicant's written representations, at pages 34-44].

[69] With respect to the register, the Applicant submits that there are over 50 such trademarks, approximately 25 of which are registered for use in association with baked goods. The Applicant specifically points to the registrations listed below—three of which I have excluded as they were since expunged for failure to renew (namely registration Nos. TMA690,091, TMA704,021 and TMA722,041)—and submits that this is a sufficiently large number of relevant registrations upon which an inference can be drawn about the state of the marketplace.

- EAT A COOKIE SKIP A SERVING BE SMART FOR LIFE (TMA796,822) – for “cookies”;
- EAT SMART (TMA1,047,926) – for “croutons, breadsticks, tortilla strips, ... pita chips”;
- LIFE SMART MIEUX-ÊTRE (TMA878,391) – for “bakery [goods] namely breads, cakes, cookies, muffins, pies, tortillas, bagels, pita bread”;
- MASTER CHOICE LIFESMART SMART EATING FOR LIFE & DESIGN (TMA445,370) – for “cookies and biscuits”;
- Nutrient Dense Deliciously Smart! (TMA913,711) – for “muffins, breads, pizza, flatbread, naan bread, pita bread, bread crumbs”;
- NUTRISMART (TMA1,112,142) – for “biscuits and cookies, bread, pastry, cakes”;

- PLAISIR RENOUVELÉ. GOÛT INÉGALÉ & DESSIN (TMA671,913) – for “baked goods, namely: breakfast breads, muffins ... cookies ... brownies ... pastries”;
- SCIENCE SMART, PLANT WISE (TMA1,147,373) – for “cookies, cakes, pastries, brownies”;
- SMART & HEALTHY (TMA711,521) – for “bakery products, namely, bread”;
- SMART FIESTA (TMA805,543) – for “tortillas”;
- SMART FOR LIFE COOKIE DIET & Design (TMA1,066,958) – for “meal replacement cookies”;
- SMART FOR LIFE COOKIE THIN (TMA764,934) – for “cookies”;
- SMART FOR LIFE CUPCAKE DIET (TMA805,630) – for “cupcakes”;
- Smart n’ Gourmet (TMA1,021,202) – for “biscuit; ... cookies and crackers”;
- Smart n’ Savory (TMA1,021, 213) – for “biscuit; ... cookies and crackers”;
- Smart N’ Tasty (TMA1,021,170) – for “biscuit; ... cookies and crackers”;
- SMART ONES (TMA788,844) – for “grilled flatbread sandwiches”;
- SmartforLife DESIGN (TMA774,895) – for “cookies, ... muffins”;
- SMARTLUNCH (TMA659,349) – for “bagel and cream cheese; subs with meat ...; and baked goods”;
- SMARTMADE BY J.L. KRAFT (TMA1,025,961) – for “sandwiches; wraps; quesadillas”;
- SPROUTSMART (TMA708,046) – for “baked goods, namely, bread, cakes, cookies, pastries, biscuits, crackers, donuts, croutons, bagel chips, buns and muffins”; and
- THE HEALTH COMPANY DR SMOOD SMART FOOD FOR A GOOD MOOD EST. 2014 (TMA1,048,288) – for “bakery goods, namely, bread, buns, cakes ...; muffins; biscuits; pastries”.

[70] The Applicant submits that 11 of these registrations were issued in Canada before the Opponent registered its trademark SMART, that many of them should be more problematic in terms of potential co-existence with the Opponent's registered trademark SMART, given that in some cases, contrary to the Mark, the third-party marks start with the word SMART, and that the Mark should be permitted to co-exist as well.

[71] With respect to the marketplace, the Applicant refers to Mr. Song's December 5, 2022 search of the website for Metro (a network of 950 grocery stores) showing over 240 products that included the word SMART, that these products were available in 12 different sections of the various stores and included 17 different brands identified [Song affidavit, para 4; Exhibit B]. For example, the Applicant specifically points out seven third party products available for sale to Canadian consumers in association with marks incorporating the word SMART (such as Life Smart Mieux Être, SmartPop, Smart Sweets and Smartfood). Finally, the Applicant submits that the Song affidavit is to be read in conjunction with the Bacher affidavit, where Mr. Bacher personally attended at a Loblaws store and purchased seven food/beverage products that feature SMART as an element of their trademark (including Smartfood and SmartPop popcorn, Smart Sweets candy, and a SMART FIESTA soft taco dinner kit) [Bacher affidavit, para 20; Exhibit I].

[72] The Opponent, for its part, essentially submits that the number of relevant trademarks retrieved from the register by Mr. Song is insufficient, that the marketplace evidence he provides is inadmissible hearsay, that the products listed in Exhibit I of the Bacher affidavit which included the word SMART are intrinsically different from baked goods, and that Mr. Bacher has not provided evidence of these items being associated with registered trademarks. With respect to this last point, I note that only two of the

trademarks listed at paragraph 69 above can be found in the marketplace evidence adduced, and only one of them in association with the registered goods cited by the Applicant (that is SMART FIESTA for a soft taco dinner kit which includes tortillas).

[73] At the hearing, the Applicant submissions focussed on the question of what number of pertinent registrations would be considered as significant, such that the Registrar can rely solely on the state of the register evidence without the necessity to also consider state of the marketplace evidence. Heavily relying on *Tweak-D Inc v Canada (Attorney General)*, 2023 FCA 238, the Opponent in turn submitted that inferences based on the register can only be drawn in cases where there is a large number of relevant registrations *combined* with evidence of actual use. In my view, however, the *Tweak-D* case does not stand for this proposition in the absolute; the comments of the Federal Court of Appeal relied-upon by the Opponent rather are to be taken in their context (which was that there were only four relevant registrations in the state of the register evidence adduced and no evidence of use). In other words, I believe this is a question ultimately dependent upon the facts of a particular case.

[74] Here, I find that the registrations retrieved by Mr. Song show that there is at least some co-existence on the trademark register of SMART-formative marks in association with baked goods. Similarly, notwithstanding the issues raised by the Opponent, I find that the information pertaining to the marketplace provided by Messrs. Song and Bacher—when it is taken together—shows at least some commercial use of third-party SMART-formative marks in association with food products. That said, whether I also infer from the relevant trademarks identified on the register that at least some of them are in use, does not change the fact that the corroborating evidence of actual use of baked goods that the Applicant chose to submit is

extremely limited and that there is no insight whatsoever provided as to the extent of any third-party use.

[75] Accordingly, I find that this surrounding circumstance favours the Applicant, but not significantly.

Conclusion on likelihood of confusion

[76] As mentioned above, the Applicant has the legal onus of establishing, on a balance of probabilities, that there is not a reasonable likelihood of confusion as to the source of the parties' goods. This means that if a determinate conclusion cannot be reached after all the evidence is in, then the issue must be decided against the Applicant.

[77] The validity of the Opponent's trademarks, its right to use them or whether their registrations accurately portray the Opponent's rights are therefore not at issue here. Moreover, the question before me is not whether a party ought to be afforded exclusivity over the word "smart" in Canada, but whether a consumer with an imperfect recollection of either one of the Opponent's Registered Trademarks (including the trademark SMART, subject of registration No. TMA827,840) would conclude, as a matter of first impression and imperfect recollection, that the Applicant's goods bearing the Mark stem from the same source or are otherwise associated with the Opponent.

[78] Having regard to all of the surrounding circumstances, I am not satisfied that the Applicant has met its legal onus. At best for the Applicant, I find that the balance of probabilities here is evenly balanced between a finding of confusion as to the source of the parties' goods and of no confusion. I reach this conclusion in view of the resemblance between the parties' trademarks, the overlap in their goods and channels of trade, the fact that the Opponent has been using its trademark SMART for a greater

length of time and that such mark has become known to a greater extent in Canada, and notwithstanding state of the register/marketplace evidence.

[79] Accordingly, the Opponent's non-registrability ground of opposition succeeds based on registration No. TMA827,840. As indicated above, the Opponent's position is no stronger based on its other pleaded registrations.

Grounds left to consider



[80] As the Opponent was successful in its ground under section 12(1)(d) of the Act, I do not consider it necessary to address the remaining grounds of opposition under sections 16(1), 2 and 38(2)(f) of the Act respectively set out in paragraphs 9(e), (f) and (i) of the statement of opposition.

DISPOSITION

[81] 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.

Iana Alexova
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

SCHEDULE A***Opponent's Registered Trademarks***

Trademark	Registration No.	Goods
SMART & DESIGN 	TMA708,753	Bread, buns and rolls.
DEMPSTER’S SMART	TMA761,257	Bread, buns and rolls.
POM SMART	TMA802,724	Breads. Buns and Rolls. English muffins, tortilla, bagels.
POM’S SMART	TMA812,868	Bread, buns and rolls.
SMART	TMA827,840	Bakery products, namely breads. Hot dogs buns and hamburgers buns. English muffins, bagels and tortillas.
SMART 16 & DESIGN 	TMA918,711	Bread, tortillas and buns.

SCHEDULE B

Excerpts from the statement of opposition (typos and the like reproduced)

[...]

9. [...] the grounds of opposition are as follows:

- a. The Application should be refused pursuant to the provisions of Section 38(2)(a) since the does not comply with the provisions of Section 30(2) as it does not contain a statement in ordinary commercial terms of the specific wares in association with which the Opposed Mark is proposed to be used or is used as the case may be. Consequently, the opposed application should be refused pursuant to the provisions of Section 38(2)(a).
- b. The Application should also be refused pursuant to the provisions of Section 38(2)(a) since the does not comply with the provisions of Section 30(3) as the goods and services are not grouped according to the Nice Classification, each group being preceded by the number of the class of the Nice Classification to which that group of goods and services belongs and presented in the order of the classes of the Nice Classification. Consequently, the opposed application should be refused pursuant to the provisions of Section 38(2)(a).
- c. The Application should be refused pursuant to the provisions of Section 38(2)(a.1) since the Application was filed in bad faith as:
 - i. The Applicant could not have been satisfied and can still not be satisfied that it is entitled to use the Opposed Mark in Canada in association with the goods and services described in the Application since to do so would amount to depreciate the value attached to the Opponent's Registered Marks contrary to section 22 of the Act.
 - ii. The Applicant could not have been satisfied and can still not be satisfied that it is entitled to use the Opposed Mark in Canada in association with the goods and services described in the SMART Family of Trade-Marks owned and used by the Opponent and/or its predecessors in title, contrary to section 7 of the Act.
 - iii. The Applicant could not have been and can still not be satisfied that it is entitled to use the Opposed Mark in Canada in association with the goods and services described in the Application as at the date of filing of the Application, the Applicant was well aware of the prior registration of the Opponent's Registered Marks and was well aware of the Opponent and its predecessor in title's prior continuous use

of the SMART Trade-Mark and the SMART Family of Trade-Marks and the Applicant thus applied for the Opposed Mark in bad faith. Consequently, the Application should be refused pursuant to the provisions of Section 38(2)(a.1).

- d. The Opposed Mark is not registrable pursuant to the provisions of Section 12(1)(d) (within the meaning of Sections 2 and 6) because it is confusing with one or more registered Trade-Mark and more particularly with one or more of the Opponent's Registered Marks including but not limited to the registered trade-Mark SMART (TMA827,840). Consequently, the Application should be refused pursuant to the provisions of Section 38(2)(b).
- e. Pursuant to Section 38(2)(c), the Applicant is not the person entitled to the registration of the goods and services as described in the Application in view of Section 16(1), since at the date of filing of the Application or at the date of first use in Canada (whichever is earlier), the Opposed Mark was confusing (within the meaning of Sections 2 and 6) with at least one Trade-Mark that had been previously used in Canada by another person, and more particularly with one or more of the SMART Family of Trade-Marks including but not limited to one or more of the Opponent's Registered Marks and the trade-Mark SMART, which have been previously used in Canada by the Opponent and/or its predecessors in title.
- f. The Opponent further bases its opposition on the grounds provided by Section 38(2)(d) as the Opposed Mark is not distinctive within the meaning of Section 2 since it does not actually distinguish and is neither adapted to distinguish nor capable of distinguishing the goods and services, as set out in the Application, from the goods and services of others and more particularly from the goods and services associated with one or more of the Opponent's Registered Marks including the Trade-Mark SMART and the SMART Family of Trade-Marks, that have been and are used in Canada by the Opponent and/or its predecessors in title.
- g. Pursuant to Section 38(2)(e), that, at the filing date of the application in Canada, the Applicant was not using and did not propose to use the Opposed Mark in Canada in association with the goods and services specified in the application.
- h. The Application should be refused pursuant to the provisions of Section 38(2)(f), that, at the filing date of the application in Canada, the Applicant was not entitled to use the Trade-Mark in Canada in association with the goods and services specified in the application since it was confusing (within the meaning of Sections 2 and 6) with at least one trade-Mark that had been previously used and/or registered in Canada by another person, and more particularly with one or more of the Opponent's

Registered Marks including but not limited to one or more of the SMART Family of Trade-Marks including the Trade-Mark SMART, which have been previously used in Canada by the Opponent and/or its predecessors in title.

- i. The Application should be refused pursuant to the provisions of Section 38(2)(f) since at the filing date of the Application, the Applicant was not entitled to use the Opposed Mark in Canada in association with the goods and services described in the Application because:
 - i. Such use would amount to depreciate the value attached to the world-famous Opponent's Registered Marks including the SMART Family of Trade-Marks and the Trade-Mark SMART contrary to section 22 of the Act.
 - ii. Such use would amount to passing off of the SMART Family of Trade-Marks and the trade-Mark SMART owned and used by the Opponent and/or its predecessors in title, contrary to section 7 of the Act.

[...]

Appearances and Agents of Record

HEARING DATE: 2024-09-05

APPEARANCES

For the Opponent: Bruno Barrette and William Archambault

For the Applicant: Paul W. Braunovan

AGENTS OF RECORD

For the Opponent: Bruno Barrette (Barrette Legal Inc.)

For the Applicant: Perley-Robertson, Hill & McDougall LLP