

Federal Court



Cour fédérale

Date: 20120412

Docket: T-253-11

Citation: 2012 FC 416

Ottawa, Ontario, April 12, 2012

PRESENT: The Honourable Mr. Justice O'Keefe

BETWEEN:

MAPLE LEAF FOODS INC.

Applicant

and

CONSORZIO DEL PROSCIUTTO DI PARMA

Respondent

REASONS FOR JUDGMENT AND JUDGMENT

[1] This is an application under section 56 of the *Trade-Marks Act*, RSC 1985, c T-13 (the Act) of an appeal of the decision of the Canadian Intellectual Property Office Registrar of Trade-marks (the Registrar) dated December 16, 2010, refusing the applicant's application to register the trade-mark PARMA & Design (Application No. 765,376) in light of the respondent's existing official mark PARMA & Design (Application No. 908,349).

[2] The applicant requests:

1. That the Registrar's decision be set aside;

2. That the Registrar be directed to allow Application No. 765,376; and
3. A declaration that the respondent is not a “public authority” within the meaning of subparagraph 9(1)(n)(iii) of the Act, rendering the Official Mark 908,349 invalid, ineffective and void *ab initio*.

Background

[3] The applicant owns TMA 179,637 for the word PARMA. The applicant, including its predecessors-in-title, has used the mark PARMA in Canada since at least 1958.

[4] On October 3, 1994, the applicant filed an application for the registration of trade-mark PARMA & Design (Application No. 765,376) for the wares “meats, namely salami, capicollo, pepper butts, pepperoni, dry sausage, mortadella, ham”.

[5] On September 19, 1997, the respondent applied for public notice of the adoption and use of the PARMA & Design trade-mark as an official mark for services pursuant to subparagraph 9(1)(n)(iii) of the Act (Application No. 908,349). The Registrar granted the requested public notice on February 11, 1998 by publishing a notice in the Trade-marks Journal.

[6] An objection to the applicant’s trade-mark was raised since it was considered to be a mark prohibited from adoption under subparagraph 9(1)(n)(iii) of the Act. As the applicant’s trade-mark so nearly resembled the mark PARMA & Design (Application No. 908,349), the Registrar found that it did not appear to be registrable.

Registrar's Decision

[7] On December 16, 2010, the Registrar issued its decision refusing the registration of the applicant's trade-mark application.

[8] The Registrar noted that the test for resemblance with respect to official marks must have regard to imperfect recollection and must determine whether a mark so nearly resembles a section 9 prohibited mark so as to be likely mistaken therefore. The Registrar explained that the test requires consideration of more circumstances than the "straight comparison" test and consideration can be given to the degree of resemblance in appearance or sound or in the idea suggested. However, this test does not allow for consideration of all the circumstances under subsection 6(5) of the Act. As such, the nature of the wares and/or services is not a relevant circumstance for the purposes of confusion between an official mark and a regular mark.

[9] The Registrar therefore determined that the applicant's trade-mark was not registrable in view of paragraph 12(1)(e) of the Act. As such, the application was refused pursuant to paragraph 37(1)(b) of the Act.

Issues

[10] The applicant submits the following point at issue:

Whether the respondent's official mark is invalid because the respondent is not a "public authority" (not being under the control of any Canadian government) and thus, that this official mark has improperly stood in the way of the applicant's trade-mark application.

[11] I would rephrase the issues as follows:

1. What is the appropriate standard of review?
2. Did the Registrar err in granting public notice of the adoption and use of the official mark by the respondent?

Applicant's Written Submissions

[12] The applicant submits that the respondent has not been, at all material times, a "public authority" within the meaning of subparagraph 9(1)(n)(iii) of the Act. The respondent has never been subject to control exercised by a Canadian government which is a necessary requirement to possess a valid official mark.

[13] The applicant submits that the Registrar's reliance on an invalid official mark to deny its application for registration is an error of law.

[14] The applicant cites *United States Postal Service v Canada Post Corporation*, 2007 FCA 10, [2007] FCJ No 25, in support of its submission that it is a condition precedent to the "public authority" status under subparagraph 9(1)(n)(iii) of the Act that the official mark applicant be subject to control by a Canadian government. The applicant submits that the respondent has

indicated on numerous occasions that it is subject to significant control by the Italian government, not a Canadian government. For example:

1. In the application to have its official mark advertised, the respondent advised the Registrar that it was subject to significant degree of control by the Italian government;

2. In *Maple Leaf Meats Inc v Di Parma*, 197 FTR 272, [2000] FCJ No 1962, the respondent confirmed in its memorandum of fact and law that it was controlled by Italian authorities; and

3. In *Consorzio del Prosciutto di Parma v Maple Leaf Meats Inc* (TD), [2001] 2 FC 536, [2001] FCJ No 89, the respondent submitted evidence of the nature and degree of control exercised by the Italian government over its activities.

[15] The applicant submits that there is no evidence before this Court that any level of government in Canada exercises any measure of power or control over any aspect of the respondent's operations. Conversely, the respondent's evidence and representations filed with the Registrar and in prior Court proceedings indicates that it is only controlled by Italian authorities. The respondent is therefore not a "public authority".

[16] The applicant cites extensive jurisprudence which it submits provides that when an official mark is advertised in favour of an applicant who is not a public authority, the Federal Court has the jurisdiction to declare the advertised mark invalid and ineffective at law.

[17] The applicant also submits that in the related case of *Maple Leaf Foods Inc v Consorzio Del Prosciutto Di Parma*, 2010 FCA 247, [2010] FCJ No 1205, the Federal Court of Appeal expressly authorized the applicant to challenge the validity of the respondent's official mark (at paragraph 2).

[18] As such, the applicant submits that the respondent's disputed official mark should be declared invalid and ineffective in giving rise to any rights or prohibitions under the Act. The Registrar should therefore be directed to allow the applicant's application.

Respondent's Written Submissions

[19] On May 17, 2011, the respondent notified the Court that it would not be participating further in these proceedings, except to address the Court on the matter of costs at the conclusion of the hearing.

Analysis and Decision

Issue 1

What is the appropriate standard of review?

Where previous jurisprudence has determined the standard of review applicable to a particular issue before the court, the reviewing court may adopt that standard (see *Dunsmuir v New Brunswick*, 2008 SCC 9, [2008] 1 SCR 190 at paragraph 57).

[21] It is well established that the appropriate standard of review of an appeal made under section 56 of the Act depends on whether or not new evidence has been filed that would materially affected the Registrar's findings or its exercise of discretion. Where no such evidence has been filed, the standard of review is reasonableness (see *Brovillette Kosie Prince v Orange Cove-Sanger Citrus Association*, 2007 FC 1229, [2007] FCJ No 1697 at paragraph 9; and *Ontario Assn of Architects v Assn of Architectural Technologists of Ontario*, 2002 FCA 218, [2002] FCJ No 813 at paragraph 28).

[22] In reviewing the Registrar's decision on a standard of reasonableness, the Court should not intervene unless the Registrar came to a conclusion that is not transparent, justifiable and intelligible and within the range of acceptable outcomes based on the evidence before it (see *Dunsmuir* above, at paragraph 47; and *Canada (Citizenship and Immigration) v Khosa*, 2009 SCC 12, [2009] SCJ No 12 at paragraph 59). It is not up to a reviewing court to substitute its own view of a preferable outcome, nor is it the function of the reviewing court to reweigh the evidence (see *Khosa* above, at paragraphs 59 and 61).

[23] **Issue 2**

Did the Registrar err in granting public notice of the adoption and use of the official mark by the respondent?

This issue stems from the wording of subparagraph 9(1)(n)(iii) of the Act, which states:

9. (1) No person shall adopt in connection with a business, as a trade-mark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for,

9. (1) Nul ne peut adopter à l'égard d'une entreprise, comme marque de commerce ou autrement, une marque composée de ce qui suit, ou dont la ressemblance est telle qu'on pourrait vraisemblablement la confondre avec ce qui suit :

...	...
(n) any badge, crest, emblem or mark	n) tout insigne, écusson, marque ou emblème :
...	...
(iii) adopted and used by any public authority, in Canada as an official mark for wares or services,	(iii) adopté et employé par une autorité publique au Canada comme marque officielle pour des marchandises ou services,
in respect of which the Registrar has, at the request of Her Majesty or of the university or public authority, as the case may be, given public notice of its adoption and use;	à l'égard duquel le registraire, sur la demande de Sa Majesté ou de l'université ou autorité publique, selon le cas, a donné un avis public d'adoption et emploi;

[24] The confusion arises from the wording “any public authority, in Canada”. At first glance, it would appear that the scope of this provision might include any public authority, regardless of country, that uses an official mark in Canada. This led to conflicting jurisprudence on whether “public authority” is restricted to Canadian public authorities (see *See You In - Canadian Athletes Fund Corporation v Canadian Olympic Committee*, 2007 FC 406, [2007] FCJ No 541 at paragraph 58).

[25] However, the Federal Court of Appeal recently clarified the scope of this provision in *United States Postal Service* above, at paragraph 1:

[...] to be a "public authority" within the meaning of subparagraph 9(1)(n)(iii) of the *Trade-Marks Act*, R.S.C. 1985, C. T-13, an entity must be subject to government control and must engage in activities that benefit the public. In our view, to fulfil the intention of Parliament, the government exercising the control must be a Canadian government. [...] [emphasis added]

[26] As such, it is now clear that “public authority” does not broadly refer to a public authority controlled by any country worldwide. Rather, it is limited to public authorities controlled by a Canadian government.

[27] As submitted by the applicant and uncontested by the respondent, there is no evidence that the respondent is subject to control by the Canadian government. Conversely, there is a dearth of evidence that it is subject to control by the Italian government. I therefore find that the Registrar erred in granting public notice of the adoption and use of the official mark by the respondent.

[28] As a result, the appeal must be allowed and an order will issue:

1. Setting aside the Registrar’s decision and directing the Registrar of Trade-marks to allow Maple Leaf’s trade-mark application;
2. Declaring the disputed official mark to be ineffective to give rise to any rights or prohibitions under the *Trade-marks Act* and without any legal effect;
3. Declaring that Consorzio del Prosciutto di Parma is not a “public authority” within the meaning of subparagraph 9(1)(n)(iii) of the *Trade-marks Act*; and
4. Declaring the disputed official mark to be invalid and void *ab initio*.

[29] The parties made submissions as to costs and both agreed that usually no costs are awarded in cases such as this. I would note that in this case, the respondent did not make submissions on the merits of the appeal but did not consent to the granting of the appeal. Based on the facts of this case, I will allow the applicant its disbursements only; the amount of the disbursements to be determined by the assessment officer if the parties do not agree on the amount of the disbursements.

JUDGMENT

THIS COURT’S JUDGMENT is that:

1. The Registrar’s decision is set aside and the Registrar of Trade-marks is directed to allow Maple Leaf’s trade-mark application;
2. The disputed official mark is declared to be ineffective to give rise to any rights or prohibitions under the *Trade-marks Act* and without any legal effect;
3. Consorzio del Prosciutto di Parma is declared to not be a “public authority” within the meaning of subparagraph 9(1)(n)(iii) of the *Trade-marks Act*;
4. The disputed official mark is invalid and void *ab initio*; and
5. The applicant is allowed its disbursements only; the amount of such disbursements to be set by the assessment officer if the parties do not agree on the amount of the disbursements.

“John A. O’Keefe”

Judge

ANNEX

Relevant Statutory Provisions

Trade-Marks Act, RSC 1985, c T-13

6.(5) In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including

(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;

(b) the length of time the trade-marks or trade-names have been in use;

(c) the nature of the wares, services or business;

(d) the nature of the trade; and

(e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.

9. (1) No person shall adopt in connection with a business, as a trade-mark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for,

...

(n) any badge, crest, emblem or mark

...

6.(5) En décidant si des marques de commerce ou des noms commerciaux créent de la confusion, le tribunal ou le registraire, selon le cas, tient compte de toutes les circonstances de l'espèce, y compris :

a) le caractère distinctif inhérent des marques de commerce ou noms commerciaux, et la mesure dans laquelle ils sont devenus connus;

b) la période pendant laquelle les marques de commerce ou noms commerciaux ont été en usage;

c) le genre de marchandises, services ou entreprises;

d) la nature du commerce;

e) le degré de ressemblance entre les marques de commerce ou les noms commerciaux dans la présentation ou le son, ou dans les idées qu'ils suggèrent.

9. (1) Nul ne peut adopter à l'égard d'une entreprise, comme marque de commerce ou autrement, une marque composée de ce qui suit, ou dont la ressemblance est telle qu'on pourrait vraisemblablement la confondre avec ce qui suit :

...

n) tout insigne, écusson, marque ou emblème :

...

(iii) adopted and used by any public authority, in Canada as an official mark for wares or services,

(iii) adopté et employé par une autorité publique au Canada comme marque officielle pour des marchandises ou services, . . .

in respect of which the Registrar has, at the request of Her Majesty or of the university or public authority, as the case may be, given public notice of its adoption and use;

à l'égard duquel le registraire, sur la demande de Sa Majesté ou de l'université ou autorité publique, selon le cas, a donné un avis public d'adoption et emploi;

11. No person shall use in connection with a business, as a trade-mark or otherwise, any mark adopted contrary to section 9 or 10 of this Act or section 13 or 14 of the Unfair Competition Act, chapter 274 of the Revised Statutes of Canada, 1952.

11. Nul ne peut employer relativement à une entreprise, comme marque de commerce ou autrement, une marque adoptée contrairement à l'article 9 ou 10 de la présente loi ou contrairement à l'article 13 ou 14 de la Loi sur la concurrence déloyale, chapitre 274 des Statuts révisés du Canada de 1952.

12. (1) Subject to section 13, a trade-mark is registrable if it is not

12. (1) Sous réserve de l'article 13, une marque de commerce est enregistrable sauf dans l'un ou l'autre des cas suivants :

...

...

(e) a mark of which the adoption is prohibited by section 9 or 10;

e) elle est une marque dont l'article 9 ou 10 interdit l'adoption;

37. (1) The Registrar shall refuse an application for the registration of a trade-mark if he is satisfied that

37. (1) Le registraire rejette une demande d'enregistrement d'une marque de commerce s'il est convaincu que, selon le cas :

...

...

(b) the trade-mark is not registrable, or and where the Registrar is not so satisfied, he shall cause the application to be advertised in the manner prescribed.

b) la marque de commerce n'est pas enregistrable;
Lorsque le registraire n'est pas ainsi convaincu, il fait annoncer la demande de la manière prescrite.

55. The Federal Court has jurisdiction to entertain any action or proceeding for the enforcement of any of the provisions of this Act or of any right or remedy conferred or defined thereby.

55. La Cour fédérale peut connaître de toute action ou procédure en vue de l'application de la présente loi ou d'un droit ou recours conféré ou défini par celle-ci.

56. (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.

(2) An appeal under subsection (1) shall be made by way of notice of appeal filed with the Registrar and in the Federal Court.

(3) The appellant shall, within the time limited or allowed by subsection (1), send a copy of the notice by registered mail to the registered owner of any trade-mark that has been referred to by the Registrar in the decision complained of and to every other person who was entitled to notice of the decision.

(4) The Federal Court may direct that public notice of the hearing of an appeal under subsection (1) and of the matters at issue therein be given in such manner as it deems proper.

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

56. (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.

(2) L'appel est interjeté au moyen d'un avis d'appel produit au bureau du registraire et à la Cour fédérale.

(3) L'appellant envoie, dans le délai établi ou accordé par le paragraphe (1), par courrier recommandé, une copie de l'avis au propriétaire inscrit de toute marque de commerce que le registraire a mentionnée dans la décision sur laquelle porte la plainte et à toute autre personne qui avait droit à un avis de cette décision.

(4) Le tribunal peut ordonner qu'un avis public de l'audition de l'appel et des matières en litige dans cet appel soit donné de la manière qu'il juge opportune.

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

Federal Courts Act, RSC, 1985, c F-7

18.1 (1) An application for judicial review may be made by the Attorney General of Canada or by anyone directly affected by the matter in respect of which relief is sought.

18.1 (1) Une demande de contrôle judiciaire peut être présentée par le procureur général du Canada ou par quiconque est directement touché par l'objet de la demande.

Federal Courts Rules, SOR/98-106

64. No proceeding is subject to challenge on the ground that only a declaratory order is sought, and the Court may make a binding declaration of right in a proceeding whether or not any consequential relief is or can be claimed.

64. Il ne peut être fait opposition à une instance au motif qu'elle ne vise que l'obtention d'un jugement déclaratoire, et la Cour peut faire des déclarations de droit qui lient les parties à l'instance, qu'une réparation soit ou puisse être demandée ou non en conséquence.

Federal Court



Cour fédérale

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: T-253-11

STYLE OF CAUSE: MAPLE LEAF FOODS INC.
- and -
CONSORZIO DEL PROSCIUTTO DI PARMA

PLACE OF HEARING: Toronto, Ontario

DATE OF HEARING: January 19, 2012

**REASONS FOR JUDGMENT
AND JUDGMENT OF:** O'KEEFE J.

DATED: April 12, 2012

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