

CORAM: MARCEAU J.A.
HUGESSEN J.A.
DÉCARY J.A.

**IN THE MATTER OF the *Trade-marks Act*
(R.S., c. T-10)**

- and -

**IN THE MATTER OF Trade-mark Application No.
539,577 MCBEANS**

BETWEEN:

**MCDONALD'S CORPORATION and
MCDONALD'S RESTAURANTS OF CANADA LIMITED**

Appellants

- and -

COFFEE HUT STORES LTD.

Respondent

Heard at Ottawa, Ontario, Wednesday, June 5, 1996.

Judgment rendered from the Bench, June 5, 1996.

REASONS FOR JUDGMENT OF THE COURT
DELIVERED BY: HUGESSEN J.A.

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REASONS FOR JUDGMENT OF THE COURT
(Delivered from the Bench at Ottawa, Ontario
Wednesday, June 5, 1996)

HUGESSEN J.A.

This is an appeal from a judgment of McKeown J. in which he allowed a cross-appeal by the present respondent from a decision of the Registrar. The respondent filed an application to register a proposed trade mark, MCBEANS, the relevant parts of which are as follows:

3. The applicant intends to use the trade mark in Canada in association with coffee makers and accessories, namely coffee cups, coffee mugs, coffee pots, coffee grinders, coffee filters, electric coffee makers, souvenir coffee spoons; coffee and coffee beans; tea, and requests registration of the trade mark in respect of such wares.
4. The applicant intends to use the trade mark in Canada in association with the operation of a business dealing in the sale of coffee makers and accessories, namely coffee cups, coffee mugs, coffee pots, coffee grinders, coffee filters, electric coffee makers, souvenir coffee spoons; coffee and coffee beans; tea, and requests registration in the trade mark in respect of such services.

(Appeal Book, Vol. XVII, page 2716)

The Registrar dismissed an opposition by the present appellants save in respect of the wares "coffee" and "tea" and related services. On the appeal to the Trial Division McKeown J. allowed the respondent's cross-appeal with the result that the appellants' opposition was dismissed in all respects.

We are in general agreement with the reasons of the learned trial judge. We view this case as being largely indistinguishable from the decision of Strayer J., as he then was, in *McDonald's Corp. et al. v. Silcorp Ltd./Silcorp Ltée*¹, which was later approved by this Court².

The appellant's two principal arguments before us turn on alleged errors by the trial judge;

- a) in looking at the respondent's actual operations rather than at the application for the proposed trade mark; and
- b) in failing to give effect to the evidence of the appellant's use of "Mc(food)" marks and the existence and general acceptance of "McLanguage".

With regard to the first point we think it is clear that, even if the judge had limited himself to a reading of the application, he could not possibly have concluded from the language used that anything in the nature of a restaurant or fast food business was contemplated by the applicant.

Furthermore, we think that the evidence of actual use, which necessarily would have been after the date of the application, was nonetheless relevant. That use showed that the promise of the application has been carried out. As Strayer J. said in

McDonald's, supra:

While counsel for the opponents argued that much of the evidence concerning the nature of the applicant's business in the past was irrelevant with respect to the possibility of confusion of a proposed trade mark, I believe that that evidence was in the main relevant with respect to these two factors involving the nature of the wares, services, or business and of the trade in which the two parties are engaged.

[at page 212]

1 (1989), 55 C.P.R. (2d) 207

2 (1992), 41 C.P.R. (3d) 67

On the second point, we are equally satisfied to adopt Strayer J's reasons in

McDonald's, supra:

The opponents principally rely here, as I understand it, on the proposition that they and their associated companies have over the years pursued a programme of introducing food products and advertising their wares and services in association with words and coined words using the prefixes "Mc" and "Mac". There are some precedents supporting the proposition that such a practice has identified the combination of these prefixes with the names of edibles as referring uniquely to products or services offered by the opponents: see, e.g., *McDonald's Corp. v. Yogi Yogurt Ltd.* (1982), 66 C.P.R. (2d) 101 (F.C.T.D.); *McDonald's Corp. v. McBagel's, Inc.*, 649 F. Supp. 1268 (1986)(U.S.D.C.). But even if such linguistic confections can in a proper case be found to be distinctive of the opponents, I do not think that their claim to monopoly can be extended to the use of these syllables when used as separate words either alone or in combination with other words.

[at pages 212-213]

And again:

I do not believe the creation of a "family" of names, by a process of bastardization involving the joining in one word of the Gaelic "Mac" or "Mc" with species of the fast-food genus or with other nouns, verbs and adjectives, can have the effect of precluding the use of those prefixes as separate words either standing alone or in combination with other words.

[at page 217]

We would only add that we can see no basis for distinguishing that case on the ground that "Mc" or "Mac" was there being contemplated as a separate word rather than as part of a coined word as it is here.

The appeal will be dismissed with costs.

"James K. Hugessen"

J.A.

FEDERAL COURT OF APPEAL

A-278-94

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