



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2013 TMOB 188
Date of Decision: 2013-10-31

**IN THE MATTER OF AN OPPOSITION
by Amar Singh Chawal Wala, a
partnership composed of Pritam Singh,
Kartar Singh and Arvinder Pal Singh, to
application No. 1,486,060 for the trade-
mark LAL GATE in the name of Goudas
Food Products and Investments Limited**

[1] Amar Singh Chawal Wala, a partnership composed of Pritam Singh, Kartar Singh and Arvinder Pal Singh (the Opponent) brought an opposition under section 38 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) against an application filed by Goudas Food Products and Investments Limited for the registration of the trade-mark LAL GATE.

[2] The application filed by Goudas Food Products and Investments Limited (the Applicant) is based on use of the trade-mark LAL GATE (the Mark) in Canada since at least as early as May 2010 in association with the following wares:

rice; peas and beans namely red kidney beans, white kidney beans, black beans, lima beans, black eye peas, chick peas, congo peas, split peas, yellow split peas, green laird lentils, navy beans, romano beans, soya beans, black turtle beans, pinto beans, adzuki beans, mung beans (the Wares).

[3] The first ground of opposition is premised on allegations that the application does not conform to the requirements of section 30(b) of the Act. The other grounds of opposition are premised on allegations of confusion including, but not restricted to, confusion between the

Mark and the Opponent's trade-marks LAL QILLA (No. TMA343,057) and LAL QILLA & Design (No. TMA525,444) registered in association with "rice".

[4] Only the Opponent filed evidence. It consists of an affidavit of Anand (Raj) Singh, with Exhibits "A" to "O". Mr. Singh is the General Manager of Amrita Trading Company, a division of Aikta Group Inc.; he was not cross-examined.

[5] Likewise, only the Opponent filed a written argument. A hearing was not held.

[6] For the reasons that follow, the application shall be refused.

Legal Onus and Evidential Burden

[7] The legal onus is on the Applicant to show that the application does not contravene the provisions of the Act as alleged in the statement of opposition. This means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the Applicant. However, there is also an evidential burden on the Opponent to prove the facts inherent to its pleadings. The presence of an evidential burden on the Opponent means that in order for a ground of opposition to be considered at all, there must be sufficient evidence from which it could reasonably be concluded that the facts alleged to support that ground of opposition exist [see *John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); *Dion Neckwear Ltd v Christian Dior, SA et al* (2002), 20 CPR (4th) 155 (FCA); and *Wrangler Apparel Corp v The Timberland Company* (2005), 41 CPR (4th) 223 (FC)].

The Issues

[8] The issues to be resolved in this opposition are:

1. Did the Applicant use the Mark since the alleged date of first use?
2. Is the Mark registrable as of today's date?
3. Was the Applicant the person entitled to registration of the Mark at the alleged date of first use?
4. Was the Mark distinctive of the Applicant's Wares at the filing date of the statement of opposition?

Analysis of the Issues

[9] I will analyse each of the issues in turn.

1 Did the Applicant use the Mark since the alleged date of first use?

[10] This issue arises from the ground of opposition alleging that the application does not conform to the requirements of section 30(b) of the Act. The Opponent alleges that the Applicant did not commence using the Mark on the alleged date of first use with any or all of the Wares. It also alleges that the Applicant's alleged use did not constitute "use" within the meaning of the Act.

[11] The material date for considering the circumstances with respect to the ground of opposition based upon non-compliance with section 30 is the filing date of the application, i.e. June 22, 2010 [see *Georgia-Pacific Corp v Scott Paper Ltd* (1984), 3 CPR (3d) 469 (TMOB)]. In addition, section 30(b) of the Act requires that there be continuous use of the trade-mark in the normal course of trade since the date claimed in the application [see *Labatt Brewing Co v Benson & Hedges (Canada) Ltd* (1996), 67 CPR (3d) 258 (FCTD)].

[12] To the extent that the relevant facts are more readily available to the Applicant, the evidential burden on the Opponent with respect to the ground of opposition based upon non-compliance with section 30(b) of the Act is lower [see *Tune Masters v Mr P's Mastertune Ignition Services Ltd* (1986), 10 CPR (4th) 84 (TMOB)]. In this regard, the Opponent relies on the affidavit of Mr. Singh to meet its initial burden.

[13] Mr. Singh has held the position of General Manager of Amrita Trading Company (Amrita), a division of Aikta Group Inc., since 1994. Amrita is one of the distributors of the Opponent's LAL QILLA products in Canada.

[14] Mr. Singh indicates that Amrita "has about 100 clients who, in turn, have one or more stores especially in the GTA". I understand the abbreviation "GTA", as used by the affiant, refers to the Greater Toronto Area. Mr. Singh explains that as part of his duties, he visits each client almost every week. He adds that even though the Applicant is located just north of Toronto, the

Applicant's LAL GATE products "did not come to [his] attention until late 2010 or early 2011". For that reason, he does not believe that any of the Wares were sold as of the alleged date of May 2010.

[15] Mr. Singh's mere statements that the Applicant's products only came to his attention in late 2010 or early 2011 is not sufficient for discharging the Opponent's initial evidential burden under this ground of opposition, even though it is light. Indeed, I do not afford any weight to Mr. Singh's testimony. For one thing, I consider his statements self-serving. Further, there is no indication that Mr. Singh would have been made aware of new products from the Opponent's competitors in a timely manner.

[16] Finally, the Opponent did not provide any evidence to support its allegation that the Applicant did not use the Mark within the meaning of the Act.

[17] Accordingly, I dismiss the ground of opposition based on non-conformity to the requirements of section 30(b) of the Act on account of the Opponent's failure to meet its initial evidential burden.

2 Is the Mark registrable as of today's date?

[18] This issue arises from the ground of opposition alleging that the Mark is not registrable under section 12(1)(d) of the Act because it is confusing with the Opponent's trade-marks LAL QILLA (No. TMA343,057) and LAL QILLA & Design (No. TMA525,444), shown below, registered in association with "rice".



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[19] The material date for considering the section 12(1)(d) ground of opposition is the date of my decision [see *Park Avenue Furniture Corporation v Wickes/Simmons Bedding Ltd and The Registrar of Trade Marks* (1991), 37 CPR (3d) 413 (FCA)].

[20] Having exercised the Registrar's discretion, I confirm that both registrations alleged by the Opponent are extant and cover "rice". The footnote to the page of registration No. TMA343,057 shows that the Opponent filed an amendment to the registration on May 20, 2011 to extend the statement of wares to include utensils and additional food products. The amendment was registered on January 23, 2013. However, since the Opponent has limited its pleading to "rice", I consider that the additional wares covered by the amendment to registration No. TMA343,057 are not at issue.

[21] Indeed, in the decision *Massif Inc v Station Touristique Massif du Sud (1993) Inc* (2011), 95 CPR (4th) 249 (FC), the Federal Court has directed that an opposition is to be assessed in view of the grounds of opposition as pleaded. Where an opponent has pleaded that the application fails to comply with a section of the Act based on a particular set of circumstances, it is not permissible to refuse it on the basis that it does not comply with that section of the Act for reasons different than those pleaded. I would add that nothing would have prevented the Opponent from requesting leave to amend its statement of opposition to rely upon registration No. TMA343,057 for the additional wares covered by the amendment. In any case, the additional wares would not impact the outcome of the ground of opposition.

[22] Since the Opponent has met its evidential burden, the question becomes whether the Applicant has met its legal onus to show that the Mark is not reasonably likely to cause confusion with either one of the Opponent's alleged registered trade-marks.

[23] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act indicates that use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same person, whether or not the wares or services are of the same general class.

[24] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in section 6(5) of the Act, namely: (a) the inherent distinctiveness of the trade-marks and the extent to which they have become known; (b) the length of time each has 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 in

appearance or sound or in the ideas suggested by them. These enumerated factors need not be attributed equal weight. [See *Mattel, Inc v 3894207 Canada Inc* (2006), 49 CPR (4th) 321 (SCC); *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée et al* (2006), 49 CPR (4th) 401 (SCC); and *Masterpiece Inc v Alavida Lifestyles Inc* (2011), 92 CPR (4th) 361 (SCC) for a thorough discussion of the general principles that govern the test for confusion.]

[25] In my opinion, comparing the Mark and the registered trade-mark LAL QILLA (No. TMA343,057) will effectively decide the section 12(1)(d) ground of opposition. In other words, if confusion is not likely between the Mark and this registered trade-mark, then it would not be likely between the Mark and the registered trade-mark LAL QILLA & Design (No. TMA525,444).

[26] In *Masterpiece, supra*, the Supreme Court of Canada stated that the degree of resemblance between marks, although the last factor listed in section 6(5) of the Act, is often likely to have the greatest effect on the confusion analysis; the Court chose to begin its analysis by considering that factor. Thus, I turn to the assessment of the section 6(5) factors starting with the degree of resemblance between the marks.

The degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them

[27] When considering the degree of resemblance, the law is clear that the trade-marks must be considered in their totality; it is not correct to lay them side by side and compare and observe similarities or differences among the elements or components of the trade-marks.

[28] There is necessarily a fair degree of resemblance between the parties' marks owing to their identical first component LAL. In this regard the first portion of a trade-mark is usually considered more important for assessing the likelihood of confusion [see *Conde Nast Publications Inc v Union des Editions Modernes* (1979), 46 CPR (2d) 183 at 188 (FCTD)]. Thus, I agree with the Opponent that when considered in their entirety, there are similarities in appearance and sound between the parties' marks due to their identical first portion. I would add that there are no submissions from the Applicant to convince me otherwise.

[29] Insofar as the ideas suggested by the marks are concerned, the Opponent submits that for its customers who speak Hindi, they would be similar. In his affidavit, Mr. Singh explains that the term “lal qilla” means “red fort” in Hindi. The Opponent therefore contends that since “every fort has a prominent entrance or GATE” the two marks would convey a similar idea. I would note that registration No. TMA343,057 does not indicate any translation for the words “lal” and “qilla”, but registration No. TMA525,444 indicates that the translation of the words “qilla” and “lal” is “fort” and “red” respectively.

[30] In view of the Opponent’s contention, I consider it appropriate to mention the Federal Court decision in *Cheung Kong (Holdings) Limited v Living Realty Inc* (1999), 4 CPR (4th) 71 (FCTD) where the Court found that there was confusion between a mark made up of Chinese characters and a mark that was the English equivalent thereof. In order to determine whether a mark is likely to cause confusion, Mr. Justice Evans reasoned that the question should be asked in respect of the particular market in which the wares are offered, which would make up the appropriate average consumer. In that case, the evidence showed that the applicant targeted the Chinese community in Toronto, which allowed the Court to conclude that the particular market for those wares consisted of consumers who understood both English and Chinese.

[31] While the Opponent appears to tailor some of its advertisements to the Indian community in Canada (television commercials attached as Exhibit “K” to the Singh affidavit and said to be shown on specialty channels), in the present case, there is simply not enough evidence to suggest that the average consumer of the parties’ wares would be a particular group of consumers in Canada with knowledge of Hindi (and presumably English).

[32] In fact, the Opponent’s evidence shows that its target market clearly goes beyond that particular community. In his affidavit, Mr. Singh attests to the Opponent’s rice being sold in general markets such as Sobeys and Loblaws, as well as stores that serve other ethnic communities, including the Chinese community and consumers from the Middle East. I also note that all the sample photos of the Opponent’s LAL QILLA rice products attached as Exhibit “C” are packaged exclusively in English.

[33] For these reasons, I will assess the ideas suggested by the marks from the perspective of the average Canadian consumer, with no particular knowledge of Hindi. In this regard, the

Opponent contends that because the mark LAL QILLA would not suggest any idea to the average consumer who do not understand Hindi, it cannot be said that the Mark suggests a different idea.

[34] As the terms “lal” and “qilla” are not ordinary words of the English or the French language, I find that the Opponent’s mark does not suggest any idea, aside from that of coined terms or foreign words. Given the word “gate” in the Mark, the latter could arguably convey the idea of “a barrier, an opening or a means of entrance or exit”. Nonetheless, as I find that its first portion acts to distinguish the Mark, when considered as a whole, I find it reasonable to conclude that the Mark is not entirely distinguishable from the Opponent’s mark in terms of ideas suggested.

[35] Accordingly, the section 6(5)(e) factor favours the Opponent.

The inherent distinctiveness of the trade-marks and the extent to which they have become known

[36] The section 6(5)(a) factor involves a combination of inherent and acquired distinctiveness of the parties’ trade-marks.

[37] Both marks possess some inherent distinctiveness as they are neither descriptive nor suggestive of the wares of the parties. However, the term “gate” in the Mark is an ordinary dictionary word whereas the term “qilla” in the Opponent’s mark would be seen as a coined term or a term in a foreign language by the average Canadian consumer. Thus, considering the trade-marks as a whole, I find that the Opponent’s mark has greater inherent distinctiveness than the Mark.

[38] The strength of a trade-mark may be increased by means of it becoming known in Canada through promotion or use. Yet, the Applicant did not provide evidence of promotion or use of the Mark in Canada.

[39] By contrast, the Opponent has provided evidence of promotion and use of the mark LAL QILLA in Canada through the affidavit of Mr. Singh.

[40] As previously indicated, Mr. Singh has held the position of General Manager of Amrita since 1994. According to his statements, prior to the inception of Amrita, Mr. Singh has been involved in the sales and marketing of the Opponent's products through other companies in Canada since at least as early as 1984.

[41] In the absence of submissions from the Applicant, I see no need to lengthily discuss the Opponent's evidence about the use and advertisement of LAL QILLA in association with rice. Rather, I summarize Mr. Singh's testimony as follows:

- the Opponent has been processing and selling rice in India and in various countries in the world, including Canada, for several decades;
- LAL QILLA rice has been sold in Canada at least as early as 1984;
- Amrita's annual sales of LAL QILLA rice in Canada are "in the millions of dollars"; and
- LAL QILLA rice has been advertised in Canada.

[42] Also, Mr. Singh filed sample photos of the Opponent's rice products bearing the mark LAL QILLA [Exhibit "C"], sample invoices and bills of lading for LAL QILLA rice from the Opponent to various Canadian companies, including Amrita, between 1987 and 2011 [Exhibit "O"], sample television ads for LAL QILLA rice said to have been broadcast in Canada through specialty channels such as Zee Cinema and Sony India TV with invoices showing broadcast dates in 2006 and 2007 [Exhibits "K" and "L"], and two samples of printed ads, one being a partial printout of a Loblaw's flyer [Exhibit "F"].

[43] The affidavit of Mr. Singh is certainly open to criticism for incompleteness and imprecision, especially regarding the manner and extent to which the Opponent's mark has been advertised in Canada. Nevertheless, based on a fair reading of the affidavit as a whole, I find it reasonable to conclude that the mark LAL QILLA has become known in Canada through significant sales of rice for an extended period of time.

[44] To sum up, the mark LAL QILLA is inherently more distinctive than the Mark and benefits from acquired distinctiveness whereas the Mark does not. Accordingly, the section 6(5)(a) factor favours the Opponent.

The length of time the trade-marks have been in use

[45] The application for the Mark is based on use in Canada since at least as early as May 2010, although the Applicant did not file any evidence of use.

[46] By contrast, the Opponent's registration No. TMA343,057 claims use of the mark LAL QILLA in Canada in association with "rice" since at least as early as April 2, 1983. Further, as discussed above, the Opponent provided evidence of use of the mark LAL QILLA in association with rice, including sample invoices and bills of lading addressed to companies in Canada dating as far back as 1987 [Exhibit "O" to the Singh affidavit].

[47] Accordingly, the section 6(5)(b) factor favours the Opponent.

The nature of the wares

[48] I agree with the Opponent that the parties' wares are either identical or otherwise related. Both marks are associated with food products. The Opponent's mark LAL QILLA is registered for use in association with rice while the Applicant's Wares consist of rice, peas and beans.

[49] Accordingly, the section 6(5)(c) factor favours the Opponent

The nature of the trade

[50] The Opponent provided evidence that its rice is sold in general markets, such as Sobeys and Loblaws, as well as in grocery stores specialized in serving the Indian community and other ethnic communities, such as the Chinese community and consumers from the Middle East.

[51] In the absence of evidence from the Applicant, since the parties' wares are either identical or related in nature, for the purpose of assessing confusion, I conclude that there is potential for overlap between the parties' channels of trade.

[52] Accordingly, the section 6(5)(d) factors favours the Opponent.

Additional surrounding circumstances

[53] The Opponent submits that its evidence purportedly establishing actual instances of confusion as well as the sensitive nature of the food market are additional surrounding circumstances to support a finding of likelihood of confusion. However, I do not find it is necessary to consider those additional circumstances to find in favour of the Opponent.

Conclusion on the likelihood of confusion

[54] In applying the test for confusion, I have considered it as a matter of first impression and imperfect recollection.

[55] Since I have concluded that each of the section 6(5) factors favours the Opponent, and bearing in mind that the Applicant has shown little interest in this proceeding (it did not file evidence or written argument or requested a hearing), I conclude that the Mark in association with the Wares is confusing with the Opponent's trade-mark LAL QILLA for rice.

[56] Accordingly, I find that the Applicant has failed to satisfy its legal onus to establish that there is no reasonable likelihood of confusion between the Mark and the trade-mark LAL QILLA registered in association with rice. Given my conclusion, I see no need to decide on the likelihood of confusion between the Mark and the trade-mark LAL QUILLA & Design of registration No. TMA525,444.

[57] Thus, the section 12(1)(d) ground of opposition is successful to the extent that it is based on registration No. TMA343,057.

3 Was the Applicant the person entitled to registration of the Mark at the alleged date of first use?

[58] This issue arises from the ground of opposition alleging that the Applicant is not the person entitled to registration of the Mark under section 16(1)(a) of the Act in view of confusion with its registered trade-marks LAL QILLA and LAL QILLA & Design as well as its trade-mark LAL alleged to have been previously used or made known in Canada in association with rice and/or other food products.

[59] The Opponent has the initial burden of proving that each of its alleged trade-marks was used or made known in Canada before the date of first use claimed in the application, namely at least as early as May 2010, and had not been abandoned at the date of advertisement of the application, namely December 15, 2010 [see section 16(5) of the Act].

[60] At the outset of the analysis, I find that the Opponent has not discharged its evidential burden with respect to the alleged trade-mark LAL. In particular, aside from one bald statement in the Singh affidavit that LAL QILLA rice are known as “LAL” rice to many of its consumers, the Opponent failed to provide any evidence of use or promotion of the mark LAL in association with rice, or for that matter with other food products.

[61] As for the registered marks, I find that comparing the Mark with the Opponent’s mark LAL QILLA will effectively decide this ground of opposition.

[62] As per my previous review of the Singh affidavit, I am satisfied that the Opponent has discharged its evidential burden of showing that its mark LAL QILLA has been used in Canada in association with rice prior to May 2010 and had not been abandoned on December 15, 2010. However, I am not satisfied that the Opponent has discharged its evidential burden with respect to other food products. Indeed, I find that there is no clear evidence of use of the trade-mark with these products. For instance, while Mr. Singh specifically provides sales figures for rice, I am unable to determine the extent to which the sales figures that he provides for “all products” pertain to the sale of other food products, as “all products” include merchandise such as utensils, cutlery, and spoons. Also, most of the sample photos appended as exhibits to the Singh affidavit are photos of the Opponent’s rice products.

[63] In view of the above, the question becomes whether the Applicant has met its legal onus to show that the Mark, as of May 2010, was not reasonably likely to cause confusion with the Opponent’s trade-mark LAL QILLA previously used in association with rice.

[64] In my view assessing each of the section 6(5) factors as of May 2010 rather than as of today’s date does not significantly impact my previous analysis of the surrounding circumstances of this case. Thus, for reasons similar to those expressed under the section 12(1)(d) ground of opposition, I conclude that the Applicant has not discharged its legal onus of establishing that

there was no reasonable likelihood of confusion between the Mark and the trade-mark LAL QILLA as of the date of first use claimed in the application.

[65] Accordingly, the section 16(1)(a) ground of opposition is successful to the extent that it is based upon confusion with the trade-mark LAL QILLA previously used in Canada by the Opponent in association with rice.

- 4 Was the Mark distinctive of the Applicant's Wares at the filing date of the statement of opposition?

[66] Since I have already accepted the opposition under two grounds, I will not address this last issue except to say that it arises from the ground of opposition alleging that the Mark is not distinctive within the meaning of section 2 of the Act.

Disposition

[67] Pursuant to the authority delegated to me under section 63(3) of the Act, I refuse the application under section 38(8) of the Act.

Céline Tremblay
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office