

**IN THE MATTER OF AN OPPOSITION by
Cana Foods Inc. and Maple Leaf Foods Inc. to
application No. 837,866
for the trade-mark CANAGOLD
filed by Argosy International Inc.**

On February 27, 1997, Argosy International Inc., the applicant, filed an application to register the trade-mark CANAGOLD based upon proposed use of the trade-mark in Canada in association with:

dairy products, namely, evaporated milk, condensed milk, butter, cheese, whole milk powder, skim milk powder, buttermilk powder, cream powder, whey powder, cheese powder, whey protein concentrate, whey protein isolate, lactose, UHT milk and cream, ice cream, ice cream mix, dairy spread and dips, casein, dairy blends;

agricultural products, namely, oats, barley, buckwheat, popcorn, oilseeds, flaxseeds, edible seeds, sunflower seeds, mustard seeds, canola seeds, canary seeds, alfalfa and rice;

food products, namely, edible oils, vegetable oils, nondairy coffee whiteners, margarine, canola oil, sunflower oil, linseed oil, shortening, lard, french fries, dry soup mix, dry pulses, nuts, maple syrup, honey, spring water and frozen meats, namely, poultry and pork.

The application was advertised for opposition purposes in the Trade-marks Journal of September 16, 1998. The opponent, Cana Foods Inc. and Maple Leaf Foods Inc., filed a statement of opposition on February 15, 1999. The applicant filed and served a counter statement in which it denied the opponent's allegations.

The opponent filed as its evidence the affidavits of Maurice Edward Bilyea and Mary Louise

Malvaso. As its evidence, the applicant filed the affidavit of Michael Godwin.

Each party filed a written argument. An oral hearing was held at which both parties were represented.

In the statement of opposition, the opponent alleges that the applicant is not the person entitled to register the trade-mark CANAGOLD, that the trade-mark CANAGOLD is not registrable, that the trade-mark CANAGOLD is not distinctive, and that the application does not comply with subsection 30(i) of the *Trade-marks Act*, all because there is a likelihood of confusion between the trade-mark CANAGOLD and each of the opponent's trade-marks CANA and CANA & Design and trade-name Cana Foods. The opponent claims to have used these marks and name in Canada prior to February 27, 1997 and to have registered the trade-marks under Nos. 170,077 and 323,180.

There is a legal burden on the applicant to establish on a balance of probabilities that there would not be a likelihood of confusion between its mark and each of the marks and name pleaded by the opponent. [see *Dion Neckwear Ltd. v. Christian Dior, S.A.* (2002), 20 C.P.R. (4th) 155 (F.C.A.)] However, there is an evidential burden on the opponent to first adduce sufficient evidence to support the truth of its allegations.

In support of its registrability grounds of opposition, the opponent has provided a copy of Canadian trade-mark registration No. TMA170,077 for the trade-mark CANA. That registration covers:

- (1) canned and frozen fruits, vegetables, fruits, and vegetable juices; canned meats and meat products; peanut butter and edible nuts; honey; cheese; frozen and canned fish,
- (2) fresh and frozen poultry; edible oil products, namely shortening and oils; dairy products, namely butter and ice cream; industrial soaps and detergents.

The registration issued on July 17, 1970 based on a declaration of use filed June 1, 1970 for the wares marked (1). It was subsequently amended to add the wares marked (2) based on a declaration of use filed October 23, 1972. In 1992, the registration was assigned from Maple Leaf Foods Inc. to Cana Foods Inc.

The opponent has not filed any evidence concerning registration No. TMA323,180. However, the Registrar does have discretion to check the register in order to confirm the existence of a registration relied upon by an opponent in a paragraph 12(1)(d) ground of opposition [see *Quaker Oats of Canada Ltd./La Compagnie Quaker Oats du Canada Ltée v. Menu Foods Ltd.*, 11 C.P.R. (3d) 410 (T.M.O.B.)]. I have exercised this discretion and confirm that registration No. TMA323,180 was registered January 30, 1987 and remains in good standing. The trade-mark and wares covered by this registration are as follows:



- (1) Fish and fish products, namely, canned salmon.
- (2) Fish and fish products, namely, Boston bluefish, haddock, shrimp, scallops.
- (3) Shellfish, namely, lobster.
- (4) Canned vegetables.
- (5) Meat products, namely, beef tongues.

- (6) Shellfish, namely, snow crab meat.**
- (7) Vegetables.**

The registration issued based on use of the mark and was assigned from Maple Leaf Foods Inc. to Cana Foods Inc. in 1992.

With respect to its subsection 30(i) ground of opposition, the opponent has not evidenced that the applicant was aware of the opponent's trade-marks when it filed its application, as pleaded in the statement of opposition. This ground of opposition therefore fails as there is no reason to conclude that the applicant could not have been satisfied that it was entitled to use CANAGOLD in Canada.

With respect to the entitlement grounds of opposition, the opponent must evidence use of its trade-marks and trade-name prior to the applicant's filing date and establish non-abandonment of its marks/name as of the date of advertisement of the applicant's application [subsections 16(5) and 17(1), *Trade-marks Act*].

Mr. Bilyea, the President of both Cana Foods Inc. and a division of Maple Leaf Foods Inc. known as Maple Leaf Foods International, attests that Cana Foods Inc., the owner of the trade-marks relied upon by the opponent, is owned by Maple Leaf Foods Inc. He states that Maple Leaf Foods Inc. assigned the CANA trade-mark to Cana Foods Inc. on December 2, 1992. Furthermore, he provides a copy of a license agreement dated December 2, 1992 between Cana Foods Inc. and Maple Leaf Foods International (A Member of Maple Leaf Foods Inc. hereinafter called "Maple Leaf") whereby Cana Foods Inc. licensed Maple Leaf to use certain of its trade-marks, in particular CANA, CANA & Design and FIVE OCEANS & Design, "provided that the wares

covered under the said trade-marks meet the standards acceptable to Cana [Foods Inc.]” Thus, use of the CANA and CANA & Design marks by Maple Leaf Foods Inc. or Maple Leaf Foods International enures to the benefit of Cana Foods Inc. pursuant to section 50 of the *Act*.

Mr. Bilyea provides as Exhibits “C”, “D” and “E” labels/packaging showing use of the trade-marks CANA and CANA & Design by Maple Leaf Foods Inc. on a 15 oz. can of corn, a 6.5 oz. can of tuna fish and a 45 kg. jute bag of soybeans. He also provides some “representative invoices evidencing sales of the opponent’s CANA product used and or marked in Canada for export in association with some of the labels and packaging of Exhibits ‘C’, ‘D’ and ‘E’ ”. These invoices, which generally refer to CANA in the body of the invoices, are primarily from Maple Leaf Foods International and date from 1995-1999. Among them, there is evidence of shipments of canned corn and bagged soybeans. There is also evidence of shipment of “CANA Brand French Fries”. The majority of the invoices show shipment from Canada to a foreign country and this qualifies as use in Canada pursuant to subsection 4(3) of the *Trade-marks Act*. Some of the invoices however concern shipments from one foreign country to another and I am not prepared to find that these are evidence of use of the opponent’s marks in Canada. In particular, the invoices concerning canned fish do not show use of the marks in Canada, as they all show the country of origin as Thailand, with shipment being from that country to Trinidad. There are also two invoices dated January 21, 1997 and August 27, 1997 issued by Cana Foods Inc. I will disregard the latter as it relates to generic pollock fillets. The former relates to shrimp “10/5 lb 5 OCEANS” shipped to a Canadian address; it appears questionable that such would have been associated with one of the labels/packaging provided by Mr. Bilyea given the reference to a different mark of Cana Foods Inc.

Mr. Bilyea also makes the following statements:

“To the best of my knowledge and recollection, the opponents herein, through its predecessor, Maple Leaf Foods Inc., commenced using the trade-mark CANA in association with the wares covered under registration No. TMA 170,077 since at least as early as 1970 on wares marked 1) and 1972 on wares marked 2).” (paragraph 9)

“The trade-mark CANA is used and has been used in Canada since at least as early as 1970 by the opponents named herein.” (paragraph 13)

“The opponents have not abandoned and continue to use the trade-mark CANA in Canada and/or for export from Canada, in association with the goods covered under the said registration.” (paragraph 14)

It is my view that these bald statements of use must be further substantiated in order for me to reach the legal conclusion that the opponent has shown prior use and non-abandonment as of the material dates in association with each of the wares pleaded by the opponent. The opponent’s affiant has not attested that labels or packaging of the type shown in his exhibits were also employed in association with the remainder of its wares at any time, let alone as of the material dates, and I am not prepared to conclude that this was the case.

It is noted that Mr. Bilyea says nothing about the trade-mark CANA & Design or the trade-name Cana Foods. His exhibits do however show use of CANA & Design on labels.

Having considered all of the opponent’s evidence, I conclude that the opponent has met its initial burden regarding its grounds based on entitlement with respect to the following pleaded wares, but only with respect to the trade-marks CANA and CANA & Design: canned vegetables (based on the invoices and labels re canned corn) and vegetables (based on the packaging and invoices for

corn and soybeans).

With respect to the grounds of opposition based on non-distinctiveness, the opponent need only show that as of February 15, 1999 its trade-marks/trade-name had become known sufficiently to negate the distinctiveness of the applied-for mark [*Motel 6, Inc. v. No. 6 Motel Ltd.* (1981), 56 C.P.R. (2d) 44 at 58 (F.C.T.D.)]. The opponent has not restricted this ground of opposition to any particular wares but instead has simply alleged that its marks and name have become known and well-recognized within the food industry. Given that the evidence of use of the trade-name Cana Foods is limited to two invoices, the distinctiveness ground of opposition will only be considered in so far as it relies on the opponent's trade-marks.

Before proceeding with a discussion of the likelihood of confusion, I note that the present application was the subject of another opposition which concluded on January 31, 2002 with a decision that removed the following items from the statement of wares: edible oils, vegetable oils, margarine, canola oil, sunflower oil, linseed oil and shortening. [unreported decision, *CIC Foods Inc. and Canadian Agra Foods Inc. v. Argosy International Inc.*]

Likelihood of Confusion

The material dates with respect to the surviving grounds of opposition are as follows: registrability under paragraph 12(1)(d) - the date of my decision [see *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd. and The Registrar of Trade Marks*, 37 C.P.R. (3d) 413 (F.C.A.)]; entitlement under subsection 16(3) - the filing date of the application; non-distinctiveness - the date of filing of the opposition [see *Re Andres Wines Ltd. and E. & J. Gallo*

Winery (1975), 25 C.P.R. (2d) 126 at 130 (F.C.A.) and *Park Avenue Furniture Corporation v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.)].

The test for confusion is one of first impression and imperfect recollection. In applying the test for confusion set forth in subsection 6(2) of the *Trade-marks Act*, the Registrar must have regard to all the surrounding circumstances, including those specifically enumerated in subsection 6(5) of the *Act*. Those factors specifically set out in subsection 6(5) are: the inherent distinctiveness of the trade-marks and the extent to which they have become known; the length of time each has been in use; the nature of the wares, services or business; the nature of the trade; and the degree of resemblance between the trade-marks in appearance or sound or in the ideas suggested by them. The weight to be given to each relevant factor may vary, depending on the circumstances [see *Clorox Co. v. Sears Canada Inc.* 41 C.P.R. (3d) 483 (F.C.T.D.); *Gainers Inc. v. Tammy L. Marchildon and The Registrar of Trade-marks* (1996), 66 C.P.R. (3d) 308 (F.C.T.D.)].

The opponent's evidence focuses on its CANA mark, without making any specific reference to its CANA & Design mark. To the extent that both marks are associated with the same wares, it is clear that if the applicant's mark is confusing with CANA, it is also confusing with CANA & Design. I will follow the opponent's lead and focus on the trade-mark CANA in the following discussion. Moreover, I will first direct the discussion to the ground of non-registrability, based on the registration for CANA, No. TMA170,077.

CANA and CANAGOLD are both invented words and both have some degree of inherent distinctiveness. However, there is an element of suggestiveness in each of the marks to the extent

that CANA might be interpreted as a reference to Canada and GOLD suggests a high quality or colour. As a result, a consideration of the inherent distinctiveness of each mark favours neither party.

There is no evidence of either CANA or CANAGOLD having been advertised or otherwise promoted. There is also no evidence that the CANAGOLD mark has been used. In contrast, at paragraph 12 of his affidavit, Mr. Bilyea states, “My company’s sales of CANA product for the years 1995 to 1999 are well in excess of two million dollars (\$2,000,000.00).” Unfortunately, this statement cannot be given full weight for several reasons. First of all, Mr. Bilyea does not say that this figure relates to sales in or from Canada and we have already seen in the invoices that the opponent sometimes sells product that is produced in another country and ships such product directly from that foreign country to another foreign country. Secondly, the figure has not been broken down to make it meaningful for any of the grounds of opposition other than the registrability one. Finally, the sales have not been broken down by product category. As a result, I am only prepared to accept that the CANA mark has acquired some distinctiveness through use. Overall, a consideration of the extent to which each mark has become known slightly favours the opponent.

The CANA mark was first used in Canada in 1970. As the applicant has not yet commenced use of its mark, the length of time each mark has been used favours the opponent.

When considering the wares, services and trades of the parties, it is the statement of wares or services in the parties’ trade-mark application or registration that governs in respect of the issue

of confusion arising under paragraph 12(1)(d) [*Mr. Submarine Ltd. v. Amandista Investments Ltd.* (1987), 19 C.P.R. (3d) 3 (F.C.A.); *Miss Universe, Inc. v. Dale Bohna* (1984), 58 C.P.R. (3d) 381 (F.C.A.)]. Both parties' wares are primarily foodstuffs and there is a direct overlap between some of their specific wares, as shown below:

<u>Registration No. TMA170,077</u>	<u>Application No. 837,866</u>
canned meats and meat products and fresh and frozen poultry	frozen meats, namely, poultry and pork
edible nuts	nuts
cheese	cheese and cheese powder
butter and ice cream	butter, ice cream and ice cream mix

It is noted that although the aforementioned wares of the opponent appear in its registration, we do not know the extent to which any of these individual wares have been associated with the CANA mark in Canada.

Neither party has stated what its channels of trade are. The opponent's registration is not restricted by any channels of trade and as its registered food wares are typical grocery food items, I will assume that they would travel through grocery stores and the like. The majority of the applicant's wares are also typical grocery food items and would therefore travel similar channels of trade. However, some of the applicant's wares are not grocery food items, for example whey powder, whey protein concentrate, whey protein isolate, lactose, and casein. They are therefore likely to travel channels of trade different from those traveled by the opponent's wares. Also, I note that the dictionary definition for canary seed indicates that it is bird feed, which distinguishes it significantly from the wares that are consumed by humans and suggests that it too may travel

different channels of trade.

The applicant's mark comprises the whole of the opponent's CANA mark. Any resemblance between the marks CANA and CANAGOLD in appearance and sound is a result of this commonality. Given that both CANA and CANAGOLD are invented words, they may not suggest any idea. However, although CANA is not a known abbreviation for Canada, it is possible that it might be interpreted as an allusion to the goods being from Canada. Taking the same approach, CANAGOLD might suggest "Canada's best". Alternatively, CANAGOLD might be perceived as a premier version of the CANA brand.

"Although the marks are not to be dissected when determining matters of confusion, it has been held that the first portion of a trade-mark is the most relevant for purposes of distinction." [*K-Tel International Ltd. v. Interwood Marketing Ltd.* (1997), 77 C.P.R. (3d) 523 (F.C.T.D.) at 527] While the first component of a mark is often considered more important for the purpose of distinction, when a word is a common, descriptive word, it is entitled to a narrower range of protection than an invented or unique word [see *Conde Nast Publications Inc. v. Union des Editions Modernes* (1979), 46 C.P.R. (2d) 183 (F.C.T.D.) and *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R. (3d) 413 (F.C.A.)]. As the applicant has argued that CANA should only be entitled to a narrow scope of protection because CANA is a prefix adopted by many traders in Canada, I turn to the applicant's state of the register evidence.

Mr. Godwin, a trade-mark searcher, conducted searches of the Canadian Trade-mark Register on June 15, 2000 directed to locating all trade-marks that include the word CANA. He has provided

full register pages for the approximately 75 active registrations that he located. Although the majority of these marks do not relate to food items, the applicant points to the large number of non-food related CANA prefix marks as indicating that Canadians in general are used to distinguishing between one CANA mark and another. However, there is not much evidence of one CANA prefix mark coexisting with another CANA prefix mark within the same category of wares. I do not consider those marks that include CANA as a suffix or as part of the word Canada or Canadian to be of any significance.

I consider the following to be the most relevant of the marks located by Mr. Godwin:

1. CANATOP registered for edible oils and toppings
2. CANASOY registered for a variety of food items, including butters, coffee, grains, beans, seeds, candy, fruits, nuts, vegetables, cooking oil, salad oil
3. CANAPLUS registered for edible oil products
4. CANANUT registered for dry fruits, nuts, coffee products, chocolate products, dry beans, spices
5. CANAKEN registered for vegetable oils, shortening and other oils
6. CANADOUGH registered for candy
7. CANACAFE registered for coffee
8. CANA registered for vin de messe
9. TEXICANA registered for potato products
10. TROPICANA TROPICS registered for beverages

I should mention that Mr. Godwin did of course also locate the marks CANA and CANA & Design relied upon by the opponent in these proceedings. In addition, he located some pending applications for marks associated with food but as these were filed on the basis of proposed use, I have not accorded them any weight in my assessment of the state of the marketplace. I am also not

according much weight to the registrations for **TEXICANA** and **TROPICANA TROPICS** because **CANA** is not the first portion of such marks.

Registrations numbers 1 and 3 above are both owned by Canamera Foods, who acquired the registration for **CANATOP** by assignment from Maple Leaf Foods Inc. in 1992. The remainder of the marks are each owned by different companies.

State of the register evidence is only relevant insofar as one can make inferences from it about the state of the marketplace [*Ports International Ltd. v. Dunlop Ltd.* (1992), 41 C.P.R. (3d) 432; *Del Monte Corporation v. Welch Foods Inc.* (1992), 44 C.P.R. (3d) 205 (F.C.T.D)]. Inferences about the state of the marketplace can only be drawn from state of the register evidence where large numbers of relevant registrations are located [*Kellogg Salada Canada Inc. v. Maximum Nutrition Ltd.* (1992), 43 C.P.R. (3d) 349 (F.C.A.)]. Given the limited number of food-related registrations located by Mr. Godwin, I cannot draw any significant conclusions about the ability of consumers to distinguish between one **CANA** prefixed mark and another in association with food items in the Canadian marketplace.

I find that a consideration of all the surrounding circumstances leads me to conclude that the applicant has not satisfied the onus on it to show that, on a balance of probabilities, there is not a reasonable likelihood of confusion between the mark **CANA** as applied to the wares registered under TMA170,077 and the mark **CANAGOLD** as applied to the following wares of the applicant:

evaporated milk, condensed milk, butter, cheese, whole milk powder, skim milk powder, buttermilk powder, cream powder, cheese powder, UHT milk and cream, ice cream, ice

cream mix, dairy spread and dips, dairy blends;

oats, barley, buckwheat, popcorn, oilseeds, flaxseeds, edible seeds, sunflower seeds, mustard seeds, canola seeds, alfalfa and rice;

food products, namely, nondairy coffee whiteners, lard, french fries, dry soup mix, dry pulses, nuts, maple syrup, honey, spring water and frozen meats, namely, poultry and pork.

My conclusion is based primarily on the resemblance between the parties' marks and wares, as well as the fact that the wares being refused are likely to travel channels of trade similar to those of the opponent, for example they may all be sold in grocery stores, possibly in close proximity to one another. It is to be remembered that the issue is whether a consumer who has a general and not precise recollection of the opponent's mark, will, upon seeing the applicant's mark, be likely to think that the products share a common source.

I turn now to the section 16 ground of opposition. The only previously-used ware pleaded by the opponent and supported by its evidence is vegetables, in the form of corn or soybeans. I believe that there is a direct overlap between the opponent's soybeans and the applied-for dry pulses. Therefore, the section 16 ground of opposition further supports the rejection of the application with respect to dry pulses.

With respect to the distinctiveness ground, the opponent relies on the reputation of the CANA trade-mark in the food industry in general. From the evidence, this reputation appears to extend

in Canada to canned vegetables, soybeans and french fries. However, I note that the extent of reputation in Canada is questionable due to the fact that the bulk of the invoices provided by the opponent show export sales; in my view, sales abroad are not likely to create much reputation within Canada. Nevertheless, I find that the applicant has not met its onus to show that, on a balance of probabilities, its mark serves to distinguish its dry pulses and french fries from the opponent's CANA wares. The distinctiveness ground of opposition therefore succeeds to that extent.

I turn now briefly to the grounds of opposition that rely on the opponent's trade-mark CANA & Design and trade-name CANA FOODS. Suffice it to say that I find that the evidence concerning such mark and name do not improve the opponent's case with respect to the wares in the present application that I have not already refused.

Disposition

Having been delegated by the Registrar of Trade-marks by virtue of subsection 63(3) of the *Trade-marks Act*, I refuse the application pursuant to subsection 38(8) of the *Act* in so far as the following wares are concerned:

evaporated milk, condensed milk, butter, cheese, whole milk powder, skim milk powder, buttermilk powder, cream powder, cheese powder, UHT milk and cream, ice cream, ice cream mix, dairy spread and dips, dairy blends;

oats, barley, buckwheat, popcorn, oilseeds, flaxseeds, edible seeds, sunflower seeds, mustard seeds, canola seeds, alfalfa and rice;

food products, namely, nondairy coffee whiteners, lard, french fries, dry soup mix, dry pulses, nuts, maple syrup, honey, spring water and frozen meats, namely, poultry and pork.

The opposition is rejected with respect to the remaining wares. Authority for a split decision is set out in *Produits Ménagers Coronet Inc. v. Coronet-Werke Heinrich Schlerf GmbH*, 10 C.P.R. (3d) 492 (F.C.T.D.).

DATED AT GATINEAU, QUEBEC, THIS 4th DAY OF NOVEMBER 2003.

**Jill W. Bradbury
Member
Trade-marks Opposition Board**