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LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2022 TMOB 112
Date of Decision: 2022-06-06

IN THE MATTER OF AN OPPOSITION

Hain Pure Protein Corporation

Opponent

And

Vitala Foods Inc.

Applicant

1,802,071 for FREE BIRD

Application

INTRODUCTION

[1] Hain Pure Protein Corporation (Hain or the Opponent) opposes registration of the trademark FREE BIRD (the Mark), which is the subject of application No. 1,802,071 (the Application) filed by Vitala Foods Inc. (Vitala or the Applicant), on the basis of proposed use of the Mark in Canada in association with the following goods, as revised by the Applicant: “eggs”.

[2] The central issue in this proceeding is whether there would be a likelihood of confusion between the Mark in association with eggs and the Opponent’s trademark FREEBIRD, in both word and design form as reproduced below (collectively the FREEBIRD Trademarks), which have been allegedly previously used and made known in Canada by the Opponent in association with poultry and processed poultry:



[3] For the reasons that follow, the Application is refused.

THE RECORD

[4] The Application was filed by the Applicant on September 26, 2016 and originally included the goods “eggs and poultry”. The Application was advertised for opposition purposes in the *Trademarks Journal* on July 12, 2017.

[5] On December 6, 2017, the Opponent filed a statement of opposition under section 38 of the *Trademarks Act*, RSC 1985, c T-13 (the Act). This Act was amended on June 17, 2019. All references herein are to the Act as amended, with the exception of references to the grounds of opposition which refer to the Act before it was amended (see section 70 of the Act which provides that section 38(2) of the Act, as it read prior to June 17, 2019, applies to applications advertised before that date).

[6] The grounds of opposition raised by the Opponent are based on non-compliance of the Application with section 30(i) of the Act, non-entitlement of the Applicant under section 16(3)(a) of the Act, and non-distinctiveness of the Mark under section 2 of the Act, and all revolve around the question of the likelihood of confusion between the Mark and the Opponent’s FREEBIRD Trademarks.

[7] The Applicant filed a counter statement denying the grounds of opposition concurrently with the filing of an amended application in which the goods “poultry” were deleted. The remaining goods covered by the Application are the ones identified above, namely “eggs”.

[8] In support of its opposition, the Opponent filed the affidavit of Kristy Meringolo, Senior Vice President and General Counsel of the Hain Celestial Group, Inc., the parent company of the Opponent, sworn June 1, 2018 (the Meringolo affidavit). In support of its Application the Applicant filed the affidavit of Bill Vanderkooi, Founder and General Manager of the Applicant, sworn February 12, 2019 (the Vanderkooi affidavit). Neither of the affiants were cross-examined.

[9] Both parties filed written representations. Neither of them requested an oral hearing.

ANALYSIS

The parties' respective burden or onus

[10] The Opponent has the initial evidential burden 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 bears the legal onus of establishing, on a balance of probabilities, that the particular grounds of opposition should not prevent the registration of the Mark [*John Labatt Ltd v Molson Companies Ltd* (1990), 30 CPR (3d) 293 (FCTD); *Dion Neckwear Ltd v Christian Dior, SA et al*, 2002 FCA 29, 20 CPR (4th) 155].

Section 16(3)(a) ground of opposition

[11] The Opponent has pleaded that the Applicant is not the person entitled to registration of the Mark because at the filing date of the Application, the Mark was confusing with the Opponent's FREEBIRD Trademarks, which have been previously used and made known in Canada by the Opponent in association with poultry and processed poultry.

[12] In order to meet its initial burden under section 16(3)(a) of the Act, the Opponent must show that as of the date of filing of the Application, its trademark had been previously used or made known in Canada and had not been abandoned as of the date of advertisement of the Application [section 16(5) of the Act]. In this regard, and as noted by the Registrar in *Olive Me Inc, et al v 1887150 Ontario Inc*, 2020 TMOB 26, section 16 of the Act does not require that an opponent prove a certain level of use or reputation. If the opponent demonstrates that its use meets the requirements of section 4 of the Act, that such use occurred prior to the filing date, and that its trademark was not abandoned at the date of advertisement of the applicant's application, the opponent will have met its burden of demonstrating prior use for the purposes of an opposition under section 16 of the Act, even if that proof is limited to a single sale or single event, to the extent that such is in the normal course of trade [*7666705 Canada Inc v 9301-7671 Québec Inc*, 2015 TMOB 150].

[13] The relevant definitions of "use" in Canada and "made known" in Canada are set out at sections 4(1) and 5 of the Act as follows:

4(1) A trademark is deemed to be used in association with goods if, at the time of the transfer of the property in or possession of the goods, in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed or it is in any other manner so associated with the goods that notice of the association is then given to the person to whom the property or possession is transferred.

5. A trade-mark is deemed to be made known in Canada by a person only if it is used by that person in a country of the Union, other than Canada, in association with goods or services, and

(a) the goods are distributed in association with it in Canada, or

(b) the goods or services are advertised in association with it in

(i) any printed publication circulated in Canada in the ordinary course of commerce among potential dealers in or users of the goods or services, or

(ii) radio broadcasts ordinarily received in Canada by potential dealers in or users of the goods or services,

and it has become well known in Canada by reason of the distribution or advertising.

[14] This brings me to review the Meringolo affidavit.

The Meringolo affidavit

[15] The Meringolo affidavit provides information on the business of the Opponent, including with respect to the alleged use of its FREEBIRD Trademarks. As summarized by the Opponent at paragraphs 14 to 20 of its written representations, Ms. Meringolo essentially attests to the following:

- Hain is a poultry company that offers a full range of fresh and frozen poultry throughout North America. Hain is a leader in growing natural, antibiotic-free poultry produced under various brands including FREEBIRD and PLAINVILLE FARMS. The Opponent offers fresh products in the natural and organic markets, as well as in the retail and foodservice industries [Meringolo affidavit, paragraph 2];
- the Opponent is the owner of the FREEBIRD Trademarks in many countries around the world, including Canada. The FREEBIRD Trademarks have been used in Canada since at least as early as January 2013 in association with poultry and processed poultry (collectively the FREEBIRD Goods) [Meringolo affidavit, paragraph 3];

- the FREEBIRD Trademarks appear directly on boxes and shipping labels of the FREEBIRD Goods sold by Hain and shipped to Canadian customers [Meringolo affidavit, paragraph 5];
- in Canada, the FREEBIRD Goods bearing the FREEBIRD Trademarks are distributed and sold at the wholesale level where they are then re-packaged by food distributors and grocery stores such as Whole Foods Market and under private label brands which are then sold to Canadian household consumers. Canadian orders are shipped from the Opponent's U.S. processing plant to a cold storage facility where they are inspected and later delivered to the Canadian customer [Meringolo affidavit, paragraph 6];
- total revenue, in U.S. dollars, for FREEBIRD Goods sold in Canada in association with the FREEBIRD Trademarks was in excess of \$3.2 million for the period July 2013 to February 2018. For the period, July 2013 to December 2016, sales were in excess of \$2.35 million [Meringolo affidavit, paragraph 7];
- publicity regarding the availability and sale of the FREEBIRD Goods bearing the FREEBIRD Trademarks has been extensive and articles have appeared in various print and online trade magazines available to Canadians [Meringolo affidavit, paragraph 8]; and
- the FREEBIRD Goods bearing the FREEBIRD Trademarks have been promoted on Hain's company websites, *www.hain.com* and *www.freebirdchicken.com*, as well as on its Facebook page [Meringolo affidavit, paragraph 9 and 10].

[16] In support of her assertions of use and promotion of the FREEBIRD Trademarks, Ms. Meringolo attaches the following exhibits to her affidavit:

- Exhibit C: photographs of representative boxes and shipping labels of the FREEBIRD Goods;
- Exhibit D: sample invoices issued by Hain to customers in Canada between the years 2013 and 2016;

- Exhibit E: copies of online and printed articles published by Progressive Grocer on the following dates: “12/09/2010”, “Mar. 2012”, and “01/1 /201” [*sic*]. Ms. Meringolo asserts that Progressive grocer is one of the top trade publications in North America targeting grocers and suppliers to the food industry; and
- Exhibits F and G: screen shots and printouts from Hain’s company websites and Facebook page.

[17] Upon review of these exhibits, I have no difficulty concluding that the Opponent has shown use of its FREEBIRD Trademarks as per the design form reproduced above in paragraph 2 of my decision (hereinafter the FREEBIRD Design trademark), in Canada in association with poultry as of the filing date of the Application.

[18] However, I am not satisfied that the Opponent has conclusively shown use either of its FREEBIRD Trademarks in association with processed poultry or the making known of the FREEBIRD Trademarks in Canada in association with either of the FREEBIRD Goods as of the said material date or at any other time. Suffice it to say that all of the photographs of representative boxes and shipping labels at Exhibit C and all of the invoices at Exhibit D relate to poultry only and that the Meringolo affidavit fails to provide specific examples of advertising *per se* of the FREEBIRD Trademarks in association with the FREEBIRD Goods or website traffic information with data for Canada.

[19] The Applicant must therefore establish, on a balance of probabilities, that there was not a reasonable likelihood of confusion between the Mark and the Opponent’s FREEBIRD Design trademark as used in association with poultry as of the filing date of the Application.

The test for confusion

[20] The test for confusion is one of first impression and imperfect recollection. Section 6(2) of the Act provides that the use of a trademark causes confusion with another trademark if the use of both trademarks in the same area would be likely to 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] Thus, section 6(2) of the Act does not concern the confusion of the trademarks themselves, but of the goods or services from one source as being from another. In the present case, the question is essentially whether a consumer, with an imperfect recollection of the Opponent's FREEBIRD Design trademark, who sees the Applicant's applied-for goods in association with the Mark, would think that they emanate from, are affiliated with, or approved by the Opponent.

[22] In applying the test for confusion, the Registrar must have regard to all the surrounding circumstances, including those listed at 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 each has been in use; (c) the nature of the goods, services or business; (d) the nature of the trade; and (e) the degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them. This list is not exhaustive, and all relevant factors are to be considered. Further, all factors are not necessarily attributed equal weight as the weight to be given to each depends on the circumstances [see *Mattel, Inc v 3894207 Canada Inc* 2006 SCC 22, 49 CPR (4th) 321; *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée* 2006 SCC 23, 49 CPR (4th) 401; and *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27, 92 CPR (4th) 361 for a thorough discussion of the general principles that govern the test for confusion].

[23] In *Masterpiece, supra* at paragraph 49, the Supreme Court of Canada discussed the importance of the section 6(5)(e) factor in conducting an analysis of the likelihood of confusion between the parties' trademarks in accordance with section 6 of the Act:

[...] the degree of resemblance, although the last factor listed in s. 6(5), is the statutory factor that is often likely to have the greatest effect on the confusion analysis [...] if the marks or names do not resemble one another, it is unlikely that even a strong finding on the remaining factors would lead to a likelihood of confusion. The other factors become significant only once the marks are found to be identical or very similar [...] As a result, it has been suggested that a consideration of resemblance is where most confusion analyses should start.

[24] Under the circumstances of the present case, I consider it appropriate to analyse the degree of resemblance between the Mark and the Opponent's FREEBIRD Design trademark first.

The degree of resemblance between the trademarks in appearance or sound or in the ideas suggested by them

[25] When considering the degree of resemblance between trademarks, they 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 trademarks [*Veuve Clicquot, supra*, at para 20].

[26] In *Masterpiece, supra* at paragraph 64, the Court further advised that, while in some cases, the first word or syllable of a trademark will be the more important for the purpose of distinction, the preferable approach to considering resemblance "is to first consider whether there is an aspect of the trade-mark that is particularly striking or unique".

[27] In the present case, there is no question that there is a high degree of resemblance between the Mark and the Opponent's FREEBIRD Design trademark. They are both composed of the words FREE and BIRD, in the same order, with no other word(s). In this regard, I do not find either of these words to stand out as being more striking or unique in the context of the parties' goods. I shall add that I do not consider the mere absence of a space between the words FREE and BIRD and the stylized design element reminiscent of a bird's head and part of its body comprising the Opponent's trademark to alter this finding.

[28] Therefore, this important factor favours the Opponent.

The inherent distinctiveness of the trademarks and the extent to which they have become known

[29] The parties' trademarks both possess some degree of inherent distinctiveness in the context of their associated goods, although arguably less so in the case of the Mark given that it does not include any stylised design element. That said, neither of the parties' trademarks are inherently strong having regard to their highly suggestive connotation, as illustrated by the

following descriptions taken from Exhibit F to the Meringolo affidavit and Exhibit H to the Vanderkooi affidavit (discussed below) respectively:

Excerpt from Exhibit F to the Meringolo affidavit:

FREEBIRD Marching to the beat of a different drumstick, FreeBird® chicken is raised humanely by family farmers on a proprietary recipe of pure sun-ripened corn and soybeans, completely free of antibiotic and no animal by-products. FreeBird organic chickens are free range and all FreeBird® chickens are free to roam.

Excerpt from Exhibit H to the Vanderkooi affidavit:

Free Bird Eggs come from Free Range hens living in a cage-free environment with daily access to outdoors. Along with being the happiest eggs, one Free Bird egg provides 100% daily value of Vitamin D.

Get a taste of Freedom. Ask your grocer for Free Bird Eggs.

[30] The degree of distinctiveness of a trademark may be increased by means of it becoming known through promotion or use.

[31] Considering first the Opponent's FREEBIRD Design trademark, I note that the invoices at Exhibit D attached to the Meringolo affidavit were apparently billed to only two companies related to one another and located in Ontario, and that the sales figures provided by Ms. Meringolo, although significant, are not broken down per province. I presume that this may be explained by the fact that the Opponent's poultry products are distributed and sold at the wholesale level where they are then re-packaged by food distributors and grocery stores under private label brands which are then sold to Canadian household consumers [re paragraph 6 of the Meringolo affidavit]. Thus, in the absence of any other specific information enabling me to determine the extent to which the Opponent's FREEBIRD Design trademark has become known in Canada, I am only prepared to conclude that the Opponent's trademark had become known to a limited extent through Ontario-based distributors as of the filing date of the Application.

[32] This brings me to review the Applicant's evidence of use and promotion of the Mark introduced through the Vanderkooi affidavit.

The Vanderkooi affidavit

[33] As summarized for the most part by the Opponent at paragraphs 23 to 28 of its written representations, Mr. Vanderkooi essentially attests to the following:

- Vitala is a food supply business located in British Columbia (BC). Its existing product lines include Free Bird eggs, Vitala eggs, Vitala milk, Vitala Yoghurt and Hank's Grass-fed Beef. Vitala products are high in nutritional value, such as Vitamin D and DHA omega-3. Vitala products are produced using free-range and free-run farming practices. The Free Bird eggs comes from free-range hens and were the first in Canada to contain 100% daily value of vitamin D. Free Bird eggs are marketed with a mascot, Freeda, (a chicken) who is presented as living a good life roaming free on the farm to produce good eggs [Vanderkooi affidavit, paragraphs 4 to 6];
- the Mark has been used in Canada to market and sell eggs since January 2017. Vitala sells its eggs to distributors and retailers. The distributors distribute and sell the eggs to retailers, who sell the eggs to consumers [Vanderkooi affidavit, paragraph 8];
- Vitala sells its FREE BIRD eggs to distributors who purchase and distribute primarily dairy products, including eggs [Vanderkooi affidavit, paragraphs 9 and 10];
- during the period July 2017 to November 2018, Vitala sold 43,080 packages of FREE BIRD eggs to distributors in Canada. These distributors provide distribution of the FREE BIRD eggs to retailers located in Canada, who sell the eggs to consumers. These FREE BIRD eggs have been sold to consumers in at least 17 retail stores in BC and Saskatchewan. This represents sales in excess of \$252,634 (CDN) to retailers. [Vanderkooi affidavit, paragraphs 11 to 13]; and
- the FREE BIRD eggs have been marked, promoted and advertised in the media including TV, radio, online, print articles or interviews and on its website and social media sites. Mr. Vanderkooi claims marketing expenses of about \$89,465 (CDN) during the period 2017 to 2018 [Vanderkooi affidavit, paragraphs 15 to 19].

[34] In support of his assertions of use and promotion of the Mark, Mr. Vanderkooi attaches the following exhibits to his affidavit:

- Exhibit B: a catalogue of products offered by Dean's Milkman Dairy Service & Specialty Foods, a BC distributor of FREE BIRD eggs;

- Exhibit C: a letter from Lepp Farm Market, a BC retailer of Vitala products which confirms that their egg products are sold in their store in different aisles from their poultry products;
- Exhibit D: photographs of FREE BIRD eggs available for sale at Lepp Farm Market and another BC-based farm market;
- Exhibits E: a representative invoice showing the sale of FREE BIRD eggs;
- Exhibit F: a photograph showing representative packaging of the FREE BIRD eggs;
- Exhibit G: a copy of a report on the media coverage of the FREE BIRD eggs;
- Exhibit H: a copy of an advertisement in Edible Magazine (distribution of about 35,000 copies in Canada every two months), which appeared in print in or about an October 2017 publication, a December 2017 publication and a February 2018 publication. Mr. Vanderkooi asserts that a separate listing on their online community from October 2017 to February 2018 led to about 160,000 online views;
- Exhibit I: a copy of promotional material provided to Canadians at retail stores and at a Canadian Health Food Association (CHFA) tradeshow. Mr. Vanderkooi asserts that the promotional material includes a benefit card displaying the Mark that was provided to about 500 people on or around March 31, 2017 and that the FREE BIRD eggs were the main featured product at the CHFA tradeshow in 2017 and 2018, which is typically very well attended by about 10,000 or more people;
- Exhibit J: a copy of a sales presentation that Vitala shared with a distributor and several retailers before the launch of the FREE BIRD eggs. I note that this presentation is undated and that it indicates that the “distribution is available throughout Western Canada”]; and
- Exhibit K: printouts from various pages of the Applicant’s website and social media sites advertising the FREE BIRD eggs.

[35] Upon review of these exhibits, I have no difficulty concluding that the Mark has been used and become known to a significant extent in Western Canada since January 2017. However, the fact remains that all of the Applicant's evidence of use and promotion of the Mark postdates the material date to assess the present ground of opposition.

[36] Consequently, taking into account the combination of inherent and acquired distinctiveness of the parties' trademarks, I find that this factor favours the Opponent.

The length of time the trademarks have been in use

[37] In view of my findings made above, this factor also favours the Opponent.

The nature of the goods, services or business; and the nature of the trade

[38] Each party made lengthy submissions on these two factors in their written representations. In fact, the Applicant's written representations focus essentially on these two factors and purport to respond to the Opponent's position that the parties' respective goods are directly related goods that belong to the same general class and are marketed to the same consumers.

[39] To begin, a few preliminary remarks are useful.

Preliminary remarks

[40] First, it is worth reminding that it is not necessary that the parties operate in the same general field or industry or that their respective goods be of the same type or quality for there to be a likelihood of confusion. As stated in section 6(2) of the Act, confusion may occur "whether or not the goods or services are of the same general class."

[41] Second, it is trite law that each case must be decided based upon its own merit. In this regard, I do not intend to discuss the many differences between the present case and each and every decision cited by the parties in their written representations as allegedly supporting their respective positions as to the likelihood or lack of likelihood of confusion. For example, I note that in the decision *SmarTan Salons Inc v International Smart Tan Network, Inc*, 2009 CanLII

90408 (TMOB) cited by the Opponent, SmarTan Salons Inc. (SmarTan)'s opposition to the registration of International Smart Tan Network, Inc. (ISTN)'s trademark SMART TAN in association with the services of "providing information on safe tans, providing information on safe tanning practices" was rejected despite the Registrar having found that ISTN's trademark and SmarTan's trademark SMARTAN for the operation of indoor tanning salons were "basically identical" and that their respective services and trade were related or overlapping. However, the ultimate decision of the Registrar was based on the fact that SmarTan *had not met its evidential burden*. More particularly, SmarTan's sole ground of opposition was that ISTN's trademark was not distinctive under section 2 of the Act. The Registrar found that this was a case where the applicant's use of its mark predated the opponent's use of its mark and that the degree of reputation of SmarTan's SMARTAN trademark shown in order to support a claim that its junior trademark had affected the distinctiveness of ISTN's senior trademark was not sufficient. In other words, contrary to the Opponent's contention at paragraph 24 of its written representations, the Registrar's decision was not based on a finding *per se* that the parties' trademarks were not confusing.

[42] Third, I note that a few of the parties' representations relate to the Applicant's actual packaging and promotional material featuring the Freeda "mascot" design element. For example, the Applicant submits at paragraph 26 of its written representations that:

[...] Freeda is presented as a personified chicken having a unique personality and traits [...]. The attribution of human characteristics to chickens in the Applicant's packaging and in its promotional and advertising activities has the effect of dissuading consumers from eating chicken meat. The Applicant therefore submits that consumers encountering FREE BIRD eggs are unlikely to assume that they are affiliated with the Opponents' poultry products in any way.

[43] However, without commenting on the merit of the Applicant's argument based on this alleged dissuasive effect, one must not lose sight of the full scope of the rights conferred by the trademark registration sought by the Applicant. Indeed, in accordance with the principle set out in paragraph 55 of the *Masterpiece* case, *supra*, the registration of the Applicant's FREE BIRD word mark would allow the Applicant to use it "in any size and with any style of lettering, color or design," it being understood, however, that "one should be careful not to give the principle set out at paragraph 55 of *Masterpiece* too great a scope for there would no longer be any need to

register a design mark when one has a word mark. [...]. When comparing the marks, one is always limited to a 'use that is within the scope of a registration' (*Masterpiece*, at para 59)" [*Pizzaiolo Restaurants inc v Les Restaurants La Pizzaiolle inc*, 2016 FCA 265 (CanLII), para 33]. Accordingly, I will not discuss any further the parties' submissions related to the Freeda mascot.

[44] With these preliminary remarks in mind, I will now outline the parties' respective positions.

The parties' positions

[45] I am reproducing below a few passages taken from the parties' respective written representations that I find the most pertinent in support of their positions:

Excerpts from the Opponent's written representations:

65. The parties are using essentially identical marks in association with directly related goods, poultry versus eggs. [...]

66. The Applicant filed the application for the [Mark] for "poultry and eggs" [...]. While "poultry" was ultimately deleted from the Application, we submit that the original inclusion of these goods in the [A]pplication suggests that the goods are logically related and/or that "eggs" are a logical extension of goods for a chicken producer, or vice-versa.

67. In addition, the Opponent has filed applications for registration of the FREEBIRD Trademarks, for the FREEBIRD Goods, which have been assigned Application Nos.[...] and are attached as Exhibit A to the Meringolo affidavit. These applications claim a date of first use of January 2013 but were filed after the [Application for the Mark]. The applications have received confusion citations based on the [Mark] which suggests that the Registrar is of the preliminary view that the parties' marks [...] are confusing. [...]

68. Most people in Canada are familiar with the causality dilemma: "which came first, the chicken or the egg?". The dilemma of course is that all chickens hatch from eggs and all chicken eggs are laid by chickens, hence, we submit the goods of the parties are directly and intrinsically related.

[...]

71. The Applicant's advertising and promotional material also consistently makes the connection between chicken and eggs. Not only does all print or online advertising include a depiction of hen(s), stylized or otherwise, it all includes references to hens (chickens) being the source of FREE BIRD eggs. [...].

72. The marketing/promotional activities of the Applicant also emphasize the possibility of confusion between the parties marks. For example, we note in Exhibit G reference is made to "Free Bird hens" and "Free Bird farmers". Accordingly, we submit it would not

be unreasonable for a consumer to assume that FREE BIRD eggs came from FREEBIRD chickens, or vice-versa.

73. The Opponent's FREEBIRD Goods are fresh products offered in natural and organic markets and can also be found in the retail and foodservice industries. In Canada, the FREEBIRD Goods are distributed and sold at the wholesale level. Similarly, the Applicant sells its FREE BIRD eggs to distributors, who then sell the goods to retailers.

74. The Applicant claims that its products are marketed to distributors who market primarily dairy and egg products, but we submit that the Applicant's own evidence suggests that this is not the case. For example, Exhibit B, a catalogue for Dean's Milkman Dairy Service & Specialty Goods – Price List, a distributor for FREE BIRD eggs lists not only dairy products, but also "Specialty Foods" such as chocolate, mints, beverages, granola, hummus, soups, granola bars, cocktail mix, sauces, meatball mix, meat pies (including chicken), pizza pockets (including chicken), cheese puffs, coconut chips, pate, dressing, relish, BBQ sauce and dipping sauce. In addition, the Applicant's FREE BIRD eggs are stated to be available at Real Canadian Superstores (Exhibit G – Western Grocer) as well as T&T Supermarkets, Co-op grocery stores (Exhibit K – Where to Buy). These are large mainstream chain supermarkets who would sell both eggs and poultry. Accordingly, both parties are selling their goods to distributors, such distributors being curators of products, including dairy, eggs, meat and poultry, for grocery stores and food markets. Furthermore, the goods are being sold at both small and large mainstream grocery stores. Given that both parties are marketing "free-range" products, it is reasonable to assume that the parties would both target distributors who source ethically produced and free-range egg and meat/poultry products.

75. The Opponent's FREEBIRD Goods are marketed as a natural product. The packaging indicates that the poultry is natural, antibiotic free, vegetarian diet fed, no added growth hormones and humanely raised. [...]

77. The Applicant also markets its products are free range and natural. [...]

78. As can be noted above, both parties are extolling the same virtues for their products, "natural", "free range", "ethical", "vegetarian fed", "humanely raised". Clearly, both parties are targeting distributors who are looking for free-range, natural products. Both parties promote the fact that their chickens are fed a "proprietary" vegetarian grain diet and that the chickens are "free-range". Several of the articles and promotional materials supplied by the Applicant reference "FREE BIRD farmers" and "FREE BIRD hens". We submit that it is not a stretch for a consumer to assume that FREE BIRD eggs came from FREEBIRD chickens, particularly also given the fact that the Applicant itself has a meat business (Hank's Grass-fed Beer, Vanderkooi affidavit).

79. We submit that the Opponent has established a strong connection between the market for its free-range poultry products and the free-range eggs of the Applicant. Given the similarities between the marketing and promotional messages of both parties, the packaging of both parties, and that both parties are targeting both large supermarket chains and smaller distributors/retailers who distribute natural and free range products, we submit that a potential consumer is likely to assume that use of the FREE BIRD trademark by the Applicant was authorized or licensed by the Opponent.

80. The Applicant states that FREE BIRD eggs are sold by retailers in the dairy or egg aisles and not the meat or poultry section of their stores. [...]

81. Regardless, of whether the goods are sold in the same "aisle", both products are being sold to distributors/retailers, both products are perishable food items and both products would be sold in the refrigerated section of grocery stores. This is not a case where the parties are using or proposing to use their marks for totally unrelated food items (for example, chocolate versus meat/poultry). The respective products eggs and poultry are intrinsically related - you cannot have one without the other. This is also not a situation where the one product may "contain" the other (i.e. a product component). The goods are free-range chickens and free-range eggs - each being sourced from the other. [...]

85. In addition, both eggs and poultry (meat) are a source of dietary protein. Eggs are often advertised/promoted as being a protein substitute for poultry or meat. [...] For example, in Exhibit K of the Vanderkooi affidavit, we note the reference to "Wednesday afternoon dinner inspiration...@freebirdeggs. Make eggs for a quick, easy, delicious and nutritious dinner".

86. In summary, we submit that a consumer would likely assume that use of the [Mark] was authorized or licensed by the Opponent. [...]

Excerpt from the Applicant's written representations:

22. There is no overlap in the parties' goods because the Opponent's goods are focused on poultry, a meat product, while the Applicant's goods are focused on eggs, which are not considered meat by the grocery trade. Rather, eggs are categorized separately in the trade, belong to the categorically distinct "eggs and dairy products" category of foods. [...]

24. Numerous Trademarks Opposition Board and Federal Court of Canada decisions emphasize that the mere fact that one mark's goods/services are the source of or are a constituent element in another mark's goods/services is not sufficient for a finding of confusion between the two marks. [...].

25. Similarly, it is submitted in the current circumstances that the fact that chickens may constitute a source of the Applicant's goods does not lend itself to a likelihood of confusion between the trademarks. Incidentally, the Applicant notes that its application is for "eggs" and not "chicken eggs". "Eggs", of course, are produced by hundreds if not thousands of other creatures besides chickens.

[...]

29. The Opponent alleges [...] that the Applicant's distributors who may market primarily dairy and egg products also market "Speciality Foods" containing chicken and would therefore be simultaneously exposed to both wholesalers who sell free-range eggs and wholesalers who sell free-range poultry products.

30. It is submitted that the Opponent has improperly conflated the sale of chicken meat pies and chicken pockets with the sale of poultry. These goods are referred to in Exhibit B of the Vanderkooi Affidavit. These are tertiary processed foods which exhibit an even greater difference from eggs, which only undergo primary food processing, than

chickens. There is no suggestion that animal meats would be sold at those distributors. Those small distributors contemplated at paragraph 9 of the Vanderkooi Affidavit and at paragraph 74 of the Opponent's Written Argument would therefore not be marketing the free-range products of both parties at hand.

31. While the Applicant admits that its goods are also marketed to large mainstream chain supermarkets who would sell both eggs and poultry, these purchasers are sophisticated corporate entities who have robust procurement processes and procedures in place. Consumers who are "not morons in a hurry" will display a greater degree of care when they are in the market for expensive or important goods or services. The goods of the parties at hand are purchased in large quantities by food distributors and are resultantly more expensive, inducing the distributors to exercise a higher degree of care when purchasing these goods.

32. Flowing from the heightened degree of care exercised by large chain supermarkets, the fact that the Applicant's goods and the Opponent's goods originate from different sources will be appreciated.

33. The Opponent alleges [...] that consumers would assume that FREE BIRD eggs came from the Opponent's chickens given the fact that the Applicant also has a meat business. Though it may be the case that the Applicant also sells beef products, neither the packaging nor the consumer-facing advertising of FREE BIRD eggs illustrated in Exhibits F and K of the Vanderkooi affidavit, respectively, show a clear affiliation with the Applicant company, Vitala Foods Inc. Accordingly, no association can be readily formed by consumers of FREE BIRD eggs to the Applicant's beef products which could result in consumers assuming that the Applicant's eggs originate from the Opponent's chickens.

34. The Opponent argues [...] that due to the fact that both eggs and poultry flesh are sold in the refrigerated section of grocery stores and are perishable, the distinction between "aisles" is obviated. The Opponent grounds support for this view in a number of Trademark Opposition Board and Federal Court of Canada decisions. The Applicant submits that the Opponent misinterprets these decisions.

[...]

37. The sale of goods in different sections of a store constitutes an important difference in the channels of trade. The Applicant's eggs and the Opponent's goods would not be sold in the same sections of a store. The Applicant's goods would be found in the designated eggs and dairy section whereas the Opponent's goods would be found in their respective meat section, which is usually clearly separated from the eggs and dairy section. The Applicant's goods and the Opponent's goods would clearly not be sold side-by-side in any stores which may carry both products, thus precluding a likelihood of confusion between the marks.

38. The Opponent describes eggs as being a protein substitute to poultry or meat [...]. Indeed, producers of eggs and dairy position their products as an alternative to animal flesh as a source of protein. As such, consumers would understand that companies who sell eggs are not companies who sell poultry flesh. Consumers understand that companies

would not generally sell both types of goods under the same trademark as the promotion of one good would cannibalize the market of the other good.

[...]

42. Although chicken eggs and poultry flesh are related in the sense that some eggs originate from chickens, each of these goods are categorically distinct in the minds of their respective producers, retailers, and consumers.

43. Based on the foregoing, it is submitted that the differences in the goods and the nature of the respective trades favours the Applicant's position, underscoring that there is no likelihood of confusion between the parties' marks in the minds of the average Canadian food consumer.

Analysis and conclusion regarding the nature of the goods and the nature of the trade

[46] Except as otherwise indicated, I am in general agreement with the Opponent's position.

[47] I find that the parties' goods are not as remote to one another as the Applicant contends. They are both non-processed food products, a source of dietary protein, and sourced from the other. In fact, as the parties' goods are free-range chickens and free-range eggs, I agree with the Opponent that they are "logically related" and that "eggs" are a "a logical extension of goods for a chicken producer, or vice-versa". The mere fact that the Application is for "eggs" and not "chicken eggs" does not alter this finding. As an aside, it is worth reminding that the Applicant's own evidence of use and advertising of the Mark consistently makes the connection between chickens and eggs.

[48] Turning to the channels of trade, I do not find persuasive either of the parties' submissions relating to the placement of their products whether in the same or different sections of grocery stores. As indicated above, it is my understanding that the Opponent's poultry products are distributed and sold in Canada at the wholesale level where they are then re-packaged by food distributors and grocery stores under private label brands which are then sold to Canadian household consumers. I find the potential overlap between the parties' channels of trade resides in the fact that both parties are marketing "free-range" products and could target distributors who source ethically produced and free-range egg and/or meat/poultry products. I shall add in this regard that I do not find the Applicant's submission that food distributors would be induced to exercise a higher degree of care when purchasing the parties' goods to be persuasive in the present case given the strong resemblance between the parties' trademarks and

the fact that the test is still one of “first impression” [as per the principles enunciated in *Masterpiece, supra*, at paras 66 to 74].

[49] In view of the foregoing, these factors also favour the Opponent.

Additional surrounding circumstance – Co-existence in the Canadian marketplace

[50] Both in its written representations and through the Vanderkooi affidavit, the Applicant submits that it has continuously used the Mark in the Canadian marketplace in association with the sale of eggs since as early as July 2017 and that since this time the parties’ respective marks have co-existed in the Canadian marketplace without any evidence of actual confusion.

[51] More particularly, the Applicant submits that the Opponent has not introduced any evidence of actual confusion, and Mr. Vanderkooi specifically states in paragraph 20 of his affidavit that the Applicant is not aware of any instances of confusion among any member of the public.

[52] However, the parties appear to operate in different provinces. In any event, as any such alleged coexistence without confusion postdates the material date under this ground of opposition, it is of no avail to the Applicant since it cannot be considered.

Conclusion regarding the likelihood of confusion

[53] As indicated above, the Applicant bears 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’ services. The presence of this onus on the Applicant means that if, after all the evidence is in, a determinate conclusion cannot be reached, the issue must be decided against the Applicant [see *John Labatt, supra*].

[54] Having considered all of the surrounding circumstances, I am not satisfied that the Applicant has met its legal burden to show that there is no reasonable likelihood of confusion between the Mark and the Opponent’s FREEBIRD Design trademark. While I have found that the Opponent’s trademark is not inherently strong, given the strong resemblance between the parties’ trademarks and the fact that the parties’ goods are somewhat related with channels of

trade that could overlap, I am not satisfied that the Applicant has sufficiently distinguished its Mark from the FREEBIRD Design trademark.

[55] Accordingly, the section 16(3)(a) ground of opposition succeeds.

[56] I shall add that in so deciding, I make no comment on the Applicant's right to *use* the Mark in Canada. The present ground of opposition relates only to the Applicant's right to *register* the Mark and enjoy the rights conferred by the existence of a trademark registration that is valid for all of Canada and can be invoked against other persons.

Section 2 ground of opposition

[57] The Opponent has pleaded that the Mark is not distinctive of the Applicant because it does not distinguish and is not adapted to distinguish the Applicant's applied-for goods from the Opponent's FREEBIRD Goods offered in association with its FREEBIRD Trademarks.

[58] In order to meet its initial burden in support of the non-distinctiveness ground of opposition, the Opponent was required to show that as of the date of filing its statement of opposition, its FREEBIRD Trademarks were known in Canada in association with its relevant goods to some extent having a "substantial, significant or sufficient" reputation to negate the distinctiveness of the Mark, or else "well known in a specific area of Canada" [*Motel 6, Inc v No 6 Motel Ltd*, (1981), 56 CPR (2d) 44 (FCTD); *Bojangles' International LLC v Bojangles Café Ltd*, 2006 FC 657 at para 33]. In this regard, an opponent's evidence is not restricted to the sale of goods or services in Canada. It may also be based on evidence of knowledge or reputation of an opponent's trademark including that spread by means of word of mouth or newspaper and magazine articles [*Motel 6, Inc v No 6 Motel Ltd, supra*, at 58-59].

[59] As per my review above of the Meringolo affidavit and finding made under the section 6(5)(a) factor, I am prepared to accept that the Opponent has demonstrated that its FREEBIRD Design trademark had become known to some extent in the province of Ontario as of the material date of December 6, 2017. However, given the imprecisions noted above, I am not satisfied that the Opponent's evidence conclusively demonstrates that the Opponent's trademark had a reputation that was "substantial, significant, or sufficient" in Canada to negate

the distinctiveness of the Mark, or alternatively, that the Opponent's trademark was "well known in a specific area of Canada" (i.e. in this case, the province of Ontario) as required by *Bojangles, supra*.

[60] Accordingly, the section 2 ground of opposition is rejected for the Opponent's failure to meet its evidential burden.

Section 30(i) ground of opposition

[61] The Opponent has pleaded that the Application does not comply with section 30(i) of the Act because the Applicant could not have been satisfied that it is entitled to use the Mark in Canada in view of the Opponent's prior use and making known of its FREEBIRD Trademarks in Canada in association with the FREEBIRD Goods.

[62] Section 30(i) of the Act requires that an applicant include a statement in its application that it is satisfied that it is entitled to use the trademark in Canada, as has been done by the Applicant in this case. It is well established in the jurisprudence that a ground of opposition based on section 30(i) should only succeed in exceptional circumstances such as where there is evidence of bad faith on the part of the applicant [*Sapodilla Co. Ltd v Bristol-Myers Co* (1974), 15 CPR (2d) 152 (TMOB)]. However, there is no evidence that the present case is an exceptional case or that the Applicant acted in bad faith at the filing date of the Application, or at any other time.

[63] Accordingly, the section 30(i) ground of opposition is rejected for the Opponent's failure to meet its evidential burden.

DISPOSITION

[64] 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.

Annie Robitaille
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

No Hearing Held

AGENTS OF RECORD

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For the Applicant