

1941

July 14-
Oct. 20.1942
March 4.

BETWEEN:

FINE FOODS OF CANADA, }
LIMITED

PETITIONER;

AND

METCALFE FOODS, LIMITED.....RESPONDENT.

Trade mark—Failure to register trade mark as prescribed by Unfair Competition Act—Petition to expunge dismissed.

Petitioner began using the trade mark "Garden Patch" sometime prior to 1929, and on October 2nd, 1929, caused it to be registered. In 1935 petitioner began using the trade mark "Summer Pride", also, but failed to obtain registration of the same. It continued to use both marks and large quantities of goods were sold by it under both marks.

Respondent in June, 1940, began to use the trade mark "Garden Pride" for goods similar to the petitioner's goods bearing the marks "Garden Patch" and "Summer Pride". Respondent obtained registration of the mark "Garden Pride" on October 17, 1940. Petitioner now applies to have the mark "Garden Pride" expunged from the register on the ground that confusion in the trade would arise since the mark would cause purchasers to think that the respondent's goods were put on the market by petitioner.

Held: That since petitioner's marks were not registered subsequent to the coming into force of the Unfair Competition Act, 22-23 Geo. V, c. 38, the petition must be dismissed.

PETITION by petitioner herein to have respondent's trade mark expunged from the Register of Trade Marks.

The petition was heard before the Honourable Mr. Justice Maclean, President of the Court, at Ottawa.

R. S. Smart, K.C., for petitioner.

A. George McHugh, K.C., for respondent.

The facts and questions of law raised are stated in the reasons for judgment.

THE PRESIDENT, now (March 4, 1942) delivered the following judgment:

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The petitioner and respondent here are incorporated companies, each carrying on the business of canning vegetables in the Province of Ontario.

The predecessor in title of the petitioner began, prior to 1929, to use the trade mark "Garden Patch" for the purpose of distinguishing its products and caused the said mark to be registered on October 2, 1929. In the year 1935 the petitioner commenced to use the trade mark "Summer Pride", also for the purpose of distinguishing its products, and, it is said, shortly thereafter instructed agents in Ottawa to cause the said mark to be registered but by some oversight no registration was made.

Thereafter the petitioner continued to use both the trade mark "Garden Patch" and the trade mark "Summer Pride", believing that the latter as well as the former had been registered, and large quantities of its products were distributed under each mark year by year. Prior to the end of the year 1941 the petitioner sold under the former mark its products in the value of \$394,606.10, and under the latter mark in the same period its products in the value of \$110,910.50.

The respondent commenced in the month of June, 1940, or thereabouts, to make use, as a trade mark for goods made by it, similar to the petitioner's goods bearing the marks aforesaid, the mark "Garden Pride", and the said mark was registered on October 17, 1940, as applied to canned fruits, vegetables, jams, jellies and pork and beans. The petitioner now alleges that the use of this mark directed public attention to the wares of the respondent in such a way that it might reasonably be apprehended that its course of conduct was likely to cause confusion in Canada between the wares of the respondent and those of the petitioner, and that the respondent's registration does not accurately express or define the respondent's existing right in respect of the said mark since the respondent is not entitled to use the same, owing to the reasonable apprehension of confusion consequent upon its use between the petitioner's goods and those of the respondent bearing it, and accordingly the petitioner prays that the respondent's said mark, "Garden Pride" be expunged from the register.

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Upon the hearing of this petition, by affidavit evidence, the petitioner presented twenty affidavits, from retail grocers carrying on business in various cities throughout Canada, in which each affiant states that he was familiar with the canned vegetables put out by the petitioner under the brand "Summer Pride" and which brand was well known in his community. Each of these affidavits contains the following paragraph:—

If I saw the name "Garden Pride" on canned vegetables I should assume that it was another grade of canned vegetables put out by the petitioner, and I believe that the use of this name by any one else than the petitioner would cause confusion in the trade, and be likely to cause purchasers to think that the goods were put out by the petitioner.

The petitioner also presented affidavits from twelve wholesale grocers carrying on business in various Canadian cities, in which each affiant states:

That for some years past my company has in each year sold a substantial quantity of canned vegetables canned by Fine Foods of Canada, Limited, and sold under the brand "Summer Pride", which brand is well known in this vicinity.

I believe that if canned vegetables were put out under the brand "Garden Pride" it would cause confusion in the trade between the goods of the petitioner and the goods of whatever company were putting out goods under the name "Garden Pride". As for myself, if I did not know the name of the manufacturer of the brand "Garden Pride" I would assume it was another grade of the goods put out by Fine Foods of Canada, Limited.

There was also presented the affidavit of the President of the petitioner company and therein is to be found the following paragraph:

Confusion between the petitioner's goods bearing the said marks and goods of the respondent bearing the mark "Garden Pride", is in my opinion inevitable if the respondent continues to use on similar goods the mark "Garden Pride", consisting of one word taken from one of the petitioner's marks and the second word taken from the other of the said marks

Altogether four affidavits were presented on behalf of the respondent, one of which was made by the President of the respondent company, and he therein states that at the date of the registration of the respondent's mark, "Garden Pride", he believed the said mark was not being used by any other person or organization in connection with the sale of the products to which it was intended to apply and that he was unaware that the petitioner was using the mark "Summer Pride", and that he had seen no goods sold under that mark by any

of the firms with which he had come in contact in the usual course of business. The last two paragraphs of that affidavit, 4 and 5, are as follows:

4. The Respondent uses the trade mark "Garden Pride" in connection with its sale of choice and fancy quality goods. I am informed and believe that the Petitioner uses the trade mark "Garden Patch" in connection with its choice quality goods, and the unregistered trade mark "Summer Pride" in connection only with standard quality goods

5 I have not personally become aware of any confusion arising between the products sold by the petitioner and those sold by the respondent because of the respondent's use of the trade mark "Garden Pride". Nor has any such confusion been reported to me by any salesman of the respondent, as would ordinarily be done should such confusion exist and be observed by him. It is my definite opinion that no such confusion has arisen or will arise between goods marked with the trade mark "Garden Pride" and goods marked with the trade mark "Garden Patch" or "Summer Pride".

Another affidavit presented on behalf of the respondent, merely states that the affiant could not recall having seen or heard of goods bearing the label "Summer Pride"; another affiant expresses the opinion that there was no reason why anyone should be confused by the use of the trade marks here in question and that any one would readily note the distinction between them whether by ear or eye; and another affiant states that he had seen and examined the trade marks "Garden Pride" and "Garden Patch" as used in connection with the sale of food products and he could detect no similarity of the sort that might confuse a purchaser between the trade marks "Garden Pride" and "Garden Patch", that the colouring and design of the labels are sufficiently different, so whether the eye or the ear is depended upon, no one should be misled, and that he could not see any reason for confusion arising between the two marks "Garden Pride" and "Garden Patch". All of the affiants just referred to were engaged in the grocery trade in one way or another.

The question for decision is not one altogether free from difficulties. I may be permitted to say respectfully that I doubt if such marks as "Garden Patch" or "Summer Pride", or "Garden Pride" should be registered at all, on the ground that they seem to suggest the place or time of production. Then, as was shown by one of the respondent's affidavits, the marks "Garden City" and "Garden Gate" are registered by other Canadian producers of canned goods, and if registration of the word "Garden",

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along with another word, is to be continued it is difficult to see why all engaged in the production of canned vegetables should not be free to use that word in association with another word so long as the latter word is not one already in use. The petitioner's case for expunging the respondent's mark "Garden Pride" is built up on the contentions: (1) That confusion in the trade would arise because this mark would cause purchasers to think that the respondent's goods were put out by the petitioner, (2) that purchasers would assume that the brand "Garden Pride" was another grade of the goods put out by the petitioner, and (3) that confusion would be occasioned by the use of the mark "Garden Pride" because this mark consists of one word taken from the petitioner's registered trade mark "Garden Patch" and one word from its unregistered mark "Summer Pride".

In respect of the mark "Summer Pride" it is to be observed that the petitioner's rights and remedies are affected by its failure to register the same, and this at once raises a difficulty which, I think, is difficult for the petitioner to overcome. One very important feature of the Unfair Competition Act is that it requires the registration of all marks coming into use in Canada, within a certain period, as mentioned in s. 4 (1). The provision, I think, was very desirable. Sec. 4 (2) states that the use of a trade mark by a person who is not registered as the owner thereof shall not confer upon such person any right, title or interest therein as against the person who is registered as the owner of the same or a similar mark. That section envisages the precise situation before me, and it would appear that this is conclusive against the petitioner obtaining the relief it here asks for, unless it is materially qualified by some other section of the Act.

Sec. 3 of the Unfair Competition Act provides that "no person shall knowingly adopt for use in Canada in connection with any wares any trade mark or any distinguishing guise which . . . (c) is similar to any trade mark or any distinguishing guise in use, or in use and known as aforesaid". Then, sec. 10 of the Act provides that if any person adopts a trade mark similar to a trade mark which was in use, or in use and known as aforesaid, he shall be presumed to have knowingly adopted the same,

unless it is established either (a) that, the same was adopted with the consent of the person by whom the same was in use, or (b) that, the person who adopted it was in ignorance of the use of the same or of a similar unregistered trade mark, and that in adopting it he was acting in good faith and believed himself to be entitled to adopt and use it, or (c) that, the person by whom such mark was adopted has continuously used the same in the ordinary course of his business for five years immediately before the commencement of the proceedings, which was not the fact in this case. Therefore, if the marks in question here can be said to be similar, the respondent shall be presumed to have knowingly adopted its mark unless it can place itself within either of the provisos 10 (a) and 10 (b), and the former may at once be disregarded. The respondent, by the affidavit of its President, disclaims any knowledge of the use of the mark "Summer Pride" by the petitioner, or by any other person or organization, which means that the respondent acted in good faith in adopting for use its registered mark, and to this there is no evidence to the contrary. Had the persons making the affidavits produced on behalf of the respondent been examined orally before me, it is possible I might have reached another conclusion. However, it is possible that the managing officers of the respondent company had never learned that the petitioner sold any of its products under the mark of "Summer Pride". In this state of facts I think the terms of the statute are in the way of the petitioner being granted the relief here asked for.

Mr. Smart urged that in deciding the question of similarity between the marks "Garden Patch" and "Garden Pride" I was entitled to take into consideration the use of the petitioner's mark "Summer Pride", even if not registered. I am unable to agree with this view, and it would seem an untenable position where, as I find, the petitioner must fail in having the respondent's mark removed from the register. Then, as to whether there is that similarity between the marks "Garden Patch" and "Garden Pride" as to cause confusion in Canada, between the wares of the petitioner and those of the respondent, I am unable to reach an affirmative conclusion. I am not convinced that any similarity is such as to cause confusion between the goods of the petitioner and those

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of the respondent; and I perhaps should point out that, on the labels used by the petitioner and respondent on the containers containing their respective goods, the names of the appellant and respondent companies are plainly printed in.

I am therefore of the opinion that the petition herein must be refused and with costs to the respondent.

Judgment accordingly.