

Federal Court



Cour fédérale

Date: 20180328

Docket: T-2175-16

Citation: 2018 FC 352

BETWEEN:

SEARA ALIMENTOS LTDA.

Applicant

and

AMIRA ENTERPRISES INC.

Respondent

REASONS FOR JUDGMENT

HENEGHAN J.

I. INTRODUCTION

[1] Seara Alimentos Ltda (the “Applicant”) seeks judicial review of two decisions of the Trademarks Opposition Board (the “Board”), rejecting its applications to register trade-marks.

Each decision is dated October 10, 2016.

[2] The first decision, 2016 TMOB 167, concerns the Applicant's trade-mark application number 1, 511,822 for the trade-mark "SEARA" (the "Mark"). It is the subject of cause number T-2175-16.

[3] The second decision, 2016 TMOB 168, concerns the Applicant's trade-mark application number 1,504,296 for "SEARA & design" (the "Design") and is the subject of cause number T-2174-16.

[4] In each decision, the Board rejected the applications for registration on the grounds of confusion with the existing registered mark "SERA" (the "Registered Mark"), registration number TMA 769,140, held by Amira Enterprises Inc. (the "Respondent").

[5] By Judgment issued on February 19, 2018, the appeals were dismissed with Reasons to follow and no Order as to costs.

II. BACKGROUND

[6] The following facts are taken from the Application Records filed by the Applicant and from the Tribunal Records prepared by the Board in respect of the two applications for registration. The Respondent did not participate in these applications for judicial review and did not file an application record.

[7] The Applicant included the affidavits of Ms. Fernanda Ramirez Gallo Pires and Ms. Genny Tremblay in its Application records filed upon this appeal.

[8] Ms. Gallo Pires is the Export Sales Manager of the Applicant. Ms. Tremblay is a private investigator who conducted certain internet searches.

[9] The Applicant is a Brazilian company and produces meat products and prepared foods. It sells a variety of poultry products directly to distributors in Canada, for sale in in the food service industry.

[10] The Applicant filed its Design application on November 18, 2010. It filed its Mark application on January 19, 2011. Both applications relate to the use of the Mark and Design in association with food products, specifically with:

meat, fish, poultry and game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats; ready meals based on meat dishes (beef, pork and poultry); semi ready meals based on meat dishes (beef, pork and poultry).

[11] The Respondent has owned the Registered Mark since September 1, 1998. That registration is in association with goods described as Turkish food products, namely:

processed fruits namely dry fruits and jams, edible nuts, chick peas; processed vegetables namely: okra, eggplant, cabbage, ready to eat vegetables, pickles, pepper paste, vine leaves; flavourings, namely: syrups, lokoum (turkish delight), halva, bakery products, namely: yafca (philo pastry dough).

III. PROCEEDINGS BEFORE THE BOARD

[12] Before the Board, the Respondent opposed both of the Applicant's registration applications on the same grounds.

[13] First, it alleged that the Applicant's Mark and Design were not registerable for reasons of confusion, pursuant to paragraph 38(2)(b) of the Act. Second, it alleged that the Applicant was not the person entitled to registration pursuant to paragraph 38 (2)(c) of the Act. Third, it alleged that the Applicant's Mark and Design were not distinctive, pursuant to paragraph 38(2)(d) of the Act.

A. *The Design Mark*

[14] The evidence before the Board in respect of the Design mark consisted of an affidavit sworn to by Jill Roberts on October 16, 2014 and two affidavits sworn by Jennifer Stecyk on September 13, 2013 and November 14, 2014. The Roberts affidavit was submitted on behalf of the Applicant and the Stecyk affidavits were submitted by the Respondent, the Opponent to the requested registrations. Only the Applicant filed written submissions before the Board.

[15] Ms. Roberts was engaged by the Applicant in the trademark opposition proceedings. In her affidavit she deposed about her search of the Canadian Intellectual Property Office ("CIPO") website where she conducted a search for all active trade-mark applications and registrations for

the term “serra” which include “food” in the wares and services. She located three entries and provided details. This search was conducted on October 7, 2014.

[16] Ms. Roberts also deposed to her search, also carried out on October 7, 2014, for all active trade-mark applications and registrations for the term “sera” which included “food” in the wares and services. She found five entries and provided particulars.

[17] Further, Ms. Roberts searched the term “sera” in seven on-line dictionaries of the terms “sera”, “serra”, and “seara”. She found no entries for the term “seara”.

[18] Ms. Stecyk is a trademark searcher who was employed by the Respondent, the Opponent in the trademark opposition proceedings. Her first affidavit attaches, as an exhibit, a certified copy of the registered trademark “SERA”, TMA 769,140. Her second affidavit attaches, as an exhibit, Google search results for “Seara Brazil”.

B. *The Word Mark*

[19] The evidentiary record before the Board in respect of the word Mark consisted of an affidavit sworn by Ms. Roberts on June 15, 2015, on behalf of the Applicant, and an affidavit sworn to by Ms. Stecyk on February 12, 2015, on behalf of the Respondent, the Opponent. Again, written submissions were presented only by the Applicant.

[20] Ms. Roberts in her affidavit relative to the word Mark provides results from a search of the CIPO website conducted on June 9, 2015. She searched all active trade-mark applications

and registrations for the term “serra” and included only marks that included food or nutrition in the wares and services. The search yielded nine entries for which Ms. Roberts provided particulars.

[21] Ms. Roberts also deposed that on June 9, 2015, she conducted a search for all active trade-mark applications and registrations for the term “Sera” that included “food” in the wares and services. She found five entries and provided details of same.

[22] On June 9, 2015, Ms. Roberts also conducted a search of the Canada 411 database, searching the surname “Sera” in Canada. She found 65 results and attached a copy of the search results as an exhibit to her affidavit.

[23] On the same day, Ms. Roberts conducted a Google search for the “Amira” website. She provided details about that search including information about products available for sale by Amira. “SERA Products” is one line of products.

[24] Ms. Roberts also referred to a Google search for “Sera Foods” located at www.serafood.com/en and attached, as an exhibit, a spreadsheet listing 384 products sold by Sera Foods.

[25] Finally, Ms. Roberts deposed that on June 10, 2015, she attended at the Mid-East Food Centre located at 1010 Belfast Road, Ottawa, Ontario. She looked for and found some SERA Products, and bought a “representative” sampling of products. A copy of the sales receipt is

attached as an exhibit and the products purchased include cookies, pickled cucumber, jam and stuffed pepper.

[26] The Stecyk affidavit filed relative to the word Mark is effectively an amalgamation of the two affidavits submitted in connection with the Design Mark and includes, as exhibits, a certified copy of the registration for the trademark “Sera” and the Google search results for “Seara Brazil”.

[27] In its written response to the Examiner’s Report, dated November 14, 2011, the Applicant submitted that the proper pronunciation of the “Seara” Mark was “SEE” “ARE” “A”. The Roberts affidavit did not address pronunciation of the Mark.

IV. DECISION OF THE BOARD

[28] On October 10, 2016, the Board delivered two separate decisions, denying registration for both the proposed mark and design on the first ground raised in opposition by the Respondent. The Board found that the marks were not registrable.

[29] Subsection 6(5) of the Act identifies the elements to be considered in a confusion analysis and provides as follows:

What to be considered

(5) In determining whether trade-marks or trade-names are confusing, the court or the

Éléments d’appréciation

(5) En décidant si des marques de commerce ou des noms commerciaux créent de la

Registrar, as the case may be, shall have regard to all the surrounding circumstances including	confusion, le tribunal ou le registraire, selon le cas, tient compte de toutes les circonstances de l'espèce, y compris :
(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;	a) le caractère distinctif inhérent des marques de commerce ou noms commerciaux, et la mesure dans laquelle ils sont devenus connus;
(b) the length of time the trade-marks or trade-names have been in use;	b) la période pendant laquelle les marques de commerce ou noms commerciaux ont été en usage;
(c) the nature of the goods, services or business;	c) le genre de produits, services ou entreprises;
(d) the nature of the trade; and	d) la nature du commerce;
(e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.	e) le degré de ressemblance entre les marques de commerce ou les noms commerciaux dans la présentation ou le son, ou dans les idées qu'ils suggèrent.

[30] In both decisions, the Board concluded that the marks were not registrable on the ground of likelihood of confusion with the registered mark.

A. *The Mark*

[31] In refusing registration for the Mark in *Amira Enterprises Inc. v. Seara Alimentos S.A.*

2016 TMOB 176, the Board considered each factor set out in subsection 6(5) separately.

[32] The Board concluded that the element of inherent distinctiveness, set out in paragraph 6(5)(a), did not favour either party. It found that the length of time the trademarks are in use, pursuant to paragraph 6(5)(b) equally did not favour either party and noted that the lack of evidence “of actual use of either party’s marks” meant that this factor favoured neither party.

[33] The Board found that the nature of the goods, addressed in paragraph 6(5)(c), “clearly” favoured the Respondent. It also found that the nature of the trade, addressed in paragraph 6(5)(d), also “clearly” favoured the Respondent, noting that the Applicant did not provide evidence of the trade in which it was actually engaged.

[34] Finally, the Board concluded that the degree of resemblance, addressed in paragraph 6(5)(e), favoured the Respondent. The Board referred to the decision in *Masterpiece Inc. v. Alavida Lifestyles Inc.*, [2011] 2 S.C.R. 387 where the Supreme Court of Canada said that the degree of resemblance may be the most important element listed in subsection 6(5) of the Act. The Board did not express concern about the evidence relative to this factor but found it favoured the Respondent, noting the similarities in the pronunciation of “SEARA” and “SERA”.

B. *The Design*

[35] In dismissing the application to register the Design application, *Amira Enterprises Inc. v. Seara Alimentos S.A.*, 2016 TMOB 168, the Board again considered each provision of subsection 6(5).

[36] In respect of paragraph 6(5)(a), it found that the element of inherent distinctiveness favoured the Respondent.

[37] In respect of paragraph 6(5)(b), the Board commented that “In the absence of evidence of actual use of either party’s marks, the section 6(5)(b) factor does not favour either party”.

[38] The Board found, in considering paragraph 6(5)(c), that the nature of the goods, “clearly” favoured the Respondent.

[39] The Board, in respect of paragraph 6(5)(d), found that the nature of the trade “clearly” favoured the Respondent. Again, the Board noted evidentiary concerns, mainly that the Applicant did not provide evidence of the trade in which it was actually engaged. It also noted that the Applicant neither addressed the nature of the goods nor the nature of the trade in its written argument.

[40] In considering paragraph 6(5)(e), the Board found that the degree of resemblance favoured the Respondent.

V. APPEAL FROM THE BOARD

[41] The Applicant appeals both decisions, pursuant to subsection 56(1) of the Act which provides as follows:

56 (1) An appeal lies to the Federal Court from any decision of the Registrar under this Act within two months from the date on which notice of the decision was dispatched by the Registrar or within such further time as the Court may allow, either before or after the expiration of the two months.

56 (1) Appel de toute décision rendue par le registraire, sous le régime de la présente loi, peut être interjeté à la Cour fédérale dans les deux mois qui suivent la date où le registraire a expédié l'avis de la décision ou dans tel délai supplémentaire accordé par le tribunal, soit avant, soit après l'expiration des deux mois.

[42] The Applicant has submitted further evidence, as permitted pursuant to subsection 56(5) of the Act which provides as follows:

Additional evidence

(5) On an appeal under subsection (1), evidence in addition to that adduced before the Registrar may be adduced and the Federal Court may exercise any discretion vested in the Registrar.

Preuve additionnelle

(5) Lors de l'appel, il peut être apporté une preuve en plus de celle qui a été fournie devant le registraire, et le tribunal peut exercer toute discrétion dont le registraire est investi.

VI. THE NEW EVIDENCE

[43] On this appeal, the Applicant filed the affidavits of Ms. Fernanda Ramirez Gallo Pires and Ms. Genny Tremblay to answer gaps in the evidence identified by the Brand.

[44] Ms. Gallo Pires deposed that the Mark is registered and used in many countries. She deposed that Seara Products are found in Brazil, South America, Africa, Asia, the Middle East and Europe.

[45] Ms. Gallo Pires stated that the Applicant's products are sold in Walmart, Burger King and McDonalds. She said that the value of sales in Canada over a 10 year period exceeded \$92 million U.S. dollars.

[46] Further, Ms. Gallo Pires deposed that there has never been any confusion between the Applicant's products and those sold in association with the trade-mark "SERA".

[47] Ms. Tremblay deposed that she conducted a Google search of "Amira.ca" with attention to imported food products. She searched in the name of "SERA Products". Print-outs from her search were attached as exhibits to her affidavit.

[48] Ms. Tremblay also deposed that at the request of counsel for the Applicant, she attended at Njaim Mid-East Food Centre in Ottawa on January 23, 2017. She purchased two SERA branded products. She attached photographs of those products as exhibits to her affidavit. Ms. Tremblay also purchased a package of cookies marked "SARA".

[49] Ms. Tremblay also stated that on January 20, 2017, she contacted certain distributors in Canada of the Applicant's products. She determined that these companies did not distribute SERA Products.

VII. SUBMISSIONS

[50] The Applicant argues that the additional evidence, set out in the affidavits of Ms. Gallo Pires and Ms. Tremblay, is material because it responds to the gaps in the initial evidence that was initially submitted by both parties.

[51] The Applicant submits that its new evidence, specifically the Gallo Pires affidavit, addresses the Board's concern about the lack of evidence of actual use of its mark, that is relative to consideration of paragraph 6(5)(b) of the Act, and as evidence of the nature of the trade in which it is engaged in Canada, relative to the factor set out in paragraph 6(5)(d).

[52] The Applicant also relies on the Gallo Pires affidavit in response to the Board's findings, in respect of paragraph 6(5)(e), that is that the degree of resemblance favoured the Respondent.

[53] Generally, the Applicant argues that the new evidence is "material" evidence that warrants *de novo* review of all the evidence by this Court and the positive exercise of discretion in its favour, upon its application for registration of its Mark and Design.

VIII. DISCUSSION

[54] The within appeal raises two issues. First, is the new evidence submitted by the Applicant "material" evidence? Second, if that evidence is material, would it change the finding of confusion?

[55] A party appealing for a decision of the Board has a right, pursuant to subsection 56(5) of the Act, to introduce new evidence, upon that appeal. I refer to the decision in *Lewis Thomson & Sons Ltd. v. Rogers, Bereskin and Parr* (1989), 21 C.P.R. (3rd) 483 (Fed. T.D.).

[56] According to the decisions in *McDowell v. The Body Shop International PLC*, 2017 FC 581 and *Molson Breweries v. John Labatt Ltd.*, [2003] 3 F.C.R. 145 (C.A.), the Court is to determine if the additional evidence would have “materially affected the decision of the Board.”

[57] If the new evidence is not material, in the sense that it would not change the result, then the Court is to apply a reasonableness standard; see the decision in *Kabushiki Kaisha Mitsukan Group Honsha v. Sakura-Nakaya Alimentos Ltda.*, 2016 FC 20 at paragraph 17.

[58] According to decision of the Supreme Court of Canada in *Dunsmuir v. New Brunswick*, [2008] S.C.R. 190, the reasonableness standard requires that a decision be transparent, justifiable and intelligible falling within a range of possible outcomes that is defensible upon the facts and the law.

[59] Evidence is material if it would have changed the outcome before the Board. If new evidence is “material”, the Court is to review all the evidence, including the evidence before the Board, on a *de novo* basis.

[60] I refer to the decision in *Molson Breweries*, *supra* at paragraphs 47 to 51 where the Court said the following:

[47] On an appeal under section 56, the record created before the Registrar forms the basis of the evidence before the Trial Division judge hearing the appeal, which evidence may be added to by the parties. Thus, although the term trial de novo has come into frequent usage in describing a section 56 appeal, the term is not an entirely accurate description of the nature of such an appeal. That an appeal under section 56 is not a trial de novo in the strict sense of the term was noted by McNair J. in *Philip Morris Inc. v. Imperial Tobacco Ltd.* (No. 1).¹⁴

[48] An appeal under section 56 involves, at least in part, a review of the findings of the Registrar. In conducting that review, because expertise on the part of the Registrar is recognized, decisions of the Registrar are entitled to some deference. In *Benson & Hedges (Canada) Limited v. St. Regis Tobacco Corporation*, 15 Ritchie J. stated, at page 200:

In my view the Registrar's decision on the question of whether or not a trade mark is confusing should be given great weight and the conclusion of an official whose daily task involves the reaching of conclusions on this and kindred matters under the Act should not be set aside lightly but, as was said by Mr. Justice Thorson, then President of the Exchequer Court, in *Freed and Freed Limited v. The Registrar of Trade Marks et al.*:

... reliance on the Registrar's decision that two marks are confusingly similar must not go to the extent of relieving the judge hearing an appeal from the Registrar's decision of the responsibility of determining the issue with due regard to the circumstances of the case.

...

[50] *McDonald's Corp. v. Silcorp Ltd.* was a 1989 decision, well before the recent Supreme Court jurisprudence establishing the modern spectrum of standards of review, namely, correctness, reasonableness simpliciter and patent unreasonableness. See *Canada (Director of Investigation & Research) v. Southam Inc.*¹⁸ Because Strayer J. was prepared to accord some deference to the Registrar, I do not consider his use of the term "correct" to reflect the non-deferential and rigorous standard of review that is today associated with the terms "correct" or "correctness".

[51] I think the approach in *Benson & Hedges* and *McDonald's Corp.* are consistent with the modern approach to standard of review. Even though there is an express appeal provision in the *Trade-marks Act* to the Federal Court, expertise on the part of the Registrar has been recognized as requiring some deference. Having regard to the Registrar's expertise, in the absence of additional evidence adduced in the Trial Division, I am of the opinion that decisions of the Registrar, whether of fact, law or discretion, within his area of expertise, are to be reviewed on a standard of reasonableness simpliciter. However, where additional evidence is adduced in the Trial Division that would have materially affected the Registrar's findings of fact or the exercise of his discretion, the Trial Division judge must come to his or her own conclusion as to the correctness of the Registrar's decision.

[61] The Applicant presented evidence, in the Gallo Pires affidavit, about use of the Mark and Design in Brazil, internationally and in Canada, relying on sales figures and promotional campaigns.

[62] The new evidence was submitted to respond to the lack of evidence before the board about the factors identified in paragraphs 6(5)(b), 6(5)(d) and 6(5)(e) of the Act, that is the length of time the Mark and Design had been in use in Canada; the nature of the Applicant's trade; and the resemblance between the Applicant's proposed Mark and Design and the Registered Mark, respectively.

[63] The evidence about use in Brazil and otherwise outside Canada does not show use of the Mark in Canada, and is not "material" evidence for the purpose of this appeal.

[64] The Board observed that it was looking for "significant and continuous use of the mark".

[65] In *Distribution Prosol PS Ltd. v. Custom Building Products Ltd.*, 137 C.P.R. (4th) 32 at paragraph 46 the Court observed that “[i]nvoices and promotional documents can indeed show frequent use of a product, increasing the likelihood of public recognition of it”.

[66] As well, in *McDowell v. Laverana GmbH & Co. KG*, 2017 FC 327 at paragraphs 24 to 29, the Court relied on evidence about sales figures and the costs of advertising and promotional materials to establish “continuous use” of a mark.

[67] Paragraphs 18 to 27 of the Gallo Pires affidavit address the Applicant’s business in Canada. The Applicant began its business in 2003 and continued until 2010 when the enterprise was taken over by a new owner that sold its products in Canada under a different brand.

[68] Apparently, the Applicant’s business was then sold to another owner who was not selling its products in Canada. Sales of the Applicant’s products were suspended until 2014.

[69] Sales in Canada were principally to distributors who, in turn, sold to the end consumer, primarily restaurants.

[70] Ms. Gallo Pires deposed that sales for 2003 to 2010 and from 2014 to 2017 had a value in excess of \$92 million USD. These sales related only to poultry products.

[71] Exhibits attached to paragraphs 18 to 25 of Ms. Gallo Pires affidavit include a list of poultry products sold in Canada, a list of Canadian distributors, copies of labeling that appears

on products destined for Canada and copies of invoices showing the Applicant's Marks for goods to be sold in Canada. The Applicant's Design appears on the labels and on the invoices.

[72] I am not persuaded that this evidence is material. The use of the Applicant's proposed Mark and Design in Canada was intermittent, not continuous. The sales in Canada are more limited than the Applicant's sales internationally, as admitted by the Applicant itself in its written argument.

[73] I turn now to the factor set out in paragraph 6(5)(d) of the Act, that is the nature of the trade in which the Applicant is engaged.

[74] In its decisions in both TMOB 167 and TMOB 168, the Board said that the Applicant "did not provide any evidence of the actual trade is engaged in". It commented that the printouts attached as Exhibit C to the Stecyk affidavit have "little probative value" in addressing the use of the proposed Mark and Design in Canada.

[75] The new evidence submitted by the Applicant says that it is engaged in a wholesale business of selling primarily poultry products in Canada to distributors who the re-sell to distributors.

[76] According to Ms. Gallo Pires, the focus of the Applicant's trade in Canada to date is upon the sale of poultry products; see paragraphs 18 and 24 of her affidavit. The trade is sale of these products to distributors who sell to "end consumers", as per paragraph 22.

[77] The Respondent, as Opponent before the Board, provided evidence in the affidavits of Ms. Stecyk of the wares for which it had obtained the Registered Mark. According to those affidavits, the Registered Mark pertains to a broad range of specialty Turkish food products. Poultry is not one of the identified wares.

[78] I am not persuaded that the new evidence is sufficient to meet the standard of materiality, so as to invite a de novo review of all the evidence that was before the Board, relative to the nature of the Applicant's trade.

[79] According to Ms. Gallo Pires, the Applicant's sales in Canada are "limited thus far to poultry products for the food service market" but its applications for registration of both the Mark and the Design are for a broad range of food products, including meat and meat products and fruits and vegetables, as referred to earlier.

[80] The Board observed that there is "clear overlap" between the goods of the Applicant and of the Respondent. It found that there "is potential for overlap between the parties' channels of trade".

[81] Although the Gallo Pires affidavit provides evidence about the Applicant's business in Canada, that is evidence about sales volumes in Canada, I am not persuaded that this evidence would have materially affected the Board's finding about confusion.

[82] The jurisprudence directs that consideration of the nature of the trade requires assessment of distinct markets for the goods of the Applicant and of the Respondent. In *Mr. Submarine Ltd. v. Amandista Investments Ltd.*, [1988] 3 F.C. 91 at paragraph 27, Thurlow, C.J said the following:

(c) The nature of the wares is the same with respect to sandwiches. It differs only in that the respondent also sells pizzas. The nature of the services being rendered differs in that the appellant does not provide a telephone ordering and delivery service which the respondent does. The nature of the business, that of the sale of prepared food, is the same.

(d) The nature of the trade, as I see it, is the sale at the retail or consumer level of food prepared for eating, in the case of the appellant, in a restaurant setting, in the case of the respondent, at the address to which the purchaser asks that the food be delivered. In both cases the area from which customers are likely to be attracted for any one outlet is comparatively small, though probably larger for the respondents business because of the telephone call and delivery system.

[83] At paragraph 29 of that decision, Chief Justice Thurlow set out his conclusion as follows:

Having regard to the circumstances disclosed I reach the conclusion, and this notwithstanding the very weighty fact referred to by the learned trial Judge that in the 10 years of operation of both businesses in the Dartmouth area prior to the trial of the action no instance of any actual confusion had come to light, that the use by the respondent of its trade marks or trade names MR. SUBS'N PIZZA and MR. 29 MIN. SUBS'N PIZZA and of MR. SUBMARINE by the appellant in the same area is likely to lead to the conclusion that the wares and services of the respondent are sold or performed by the same person as those sold by the appellant.

[84] In *Mattel, Inc. v. 3894207 Canada Inc.*, [2006] 1 S. C. R. 772, the litigation was between a restaurant called “Barbie’s” and the manufacturer of the “Barbie” doll. In speaking about the factor of “resemblance”, Justice Binnie said the following at paragraph 65:

...Resemblance is clearly not a requirement under s. 6. On the contrary, the point of the legislative addition of the words "whether or not the wares or services are of the same general class" conveyed Parliament's intent that not only need there be no "resemblance" to the specific wares or services, but the wares or services marketed by the opponent under its mark and the wares or services marketed by the applicant under *its* applied-for mark need not even be of the same *general* class.

[emphasis in original]

[85] In my opinion, the new evidence set out in the Gallo Pires affidavit does not clearly show a distinction between the goods of the Applicant and those of the Respondent.

[86] The Board said, in Decision TMOB 167, at paragraph 33 that the Applicant had not provided “any evidence of the actual trade it is engaged in”. In its decision TMOB 168, at paragraph 33, it made a similar observation.

[87] I am not persuaded that the Applicant’s new evidence adequately answers the question.

[88] The evidence from Ms. Tremblay addresses Google searches and attendance at a food store in Ottawa. In my opinion this evidence is not material for the purposes of paragraph 6(5)(d).

[89] The evidence from Ms. Tremblay appears to be of the same nature as the evidence submitted initially to the Board via the affidavit of Mr. Roberts, relating to the internet searches.

[90] The evidence of Ms. Tremblay relating to the attendance at the Njain Mid-East Food Centre in Ottawa and purchase of some food items does not respond to the Board's findings about the length of time that this Applicant's proposed Mark and Design have been in use in Canada nor to the nature of its trade in Canada.

[91] I do not find the evidence of Ms. Tremblay "Material" evidence.

[92] Finally, there is the question of resemblance between the Registered Marks and the Applicant's Mark. This factor falls under paragraph 6(5)(e) of the Act.

[93] The Applicant made submissions about the pronunciation of its Mark in its response to the Examiner's Report; that submission is dated November 14, 2011. The Applicant acknowledged similarity between its Mark and that of the Respondent. It said that its Mark is pronounced "SEE ARE A".

[94] Ms. Gallo Pires deposed that the Mark is pronounced "say - AHR- a".

[95] This is new evidence that is contrary to the original submissions of the Applicant about the pronunciation of the Mark. The Board, at paragraph 42 of its decision, said the following:

[42] The trade-mark need not be identical to one another for there to be resemblance. When considered in their entirety, I am of the

view that there are considerable similarities in appearance between the Opponent's trade-mark SERA and the Mark, SEARA.

[96] The trade-mark need not be identical to one another for there to be resemblance. When considered in their entireties, I am of the view that there are considerable similarities in appearance between the Opponent's trade-mark SERA and the Mark, SEARA.

[97] I am not satisfied this new evidence is material. It is simply a different pronunciation of the Mark without any explanation why the Applicant is now proposing a different pronunciation.

[98] According to the decision in *Masterpiece Inc., supra* at paragraph 49, the "degree of resemblance" factor in paragraph 6(5)(e) has the greatest effect in the analysis of confusion and should be the starting point in that analysis.

[99] Finally, Ms. Gallo Pires expressed the opinion that there has been no evidence of actual confusion between the proposed Marks and the Registered Marks. She expressed the view that the proposed Mark and Design can co-exist with the Registered Marks.

[100] I acknowledge the opinion but the issue in this appeal turns upon the relevant legal tests and not the opinion of the Applicant's witness.

[101] Since I am not persuaded that the new evidence submitted by the Applicant is "material", there is no basis to conduct a *de novo* review and the decision of the Board is subject to review upon the standard of reasonableness. As discussed in *Dunsmuir, supra*, that standard requires

that the decision is transparent, justifiable and intelligible, falling within a range of possible outcomes and defensible upon the law and the facts.

[102] The Board found that there was no evidence of “actual use of either party’s marks” and consequently, the factor in paragraph 6(5)(b) favoured neither party.

[103] The new evidence submitted by the Applicant includes information about sales in Brazil and internationally. This does not assist in showing use in Canada.

[104] The Board considered the relevant jurisprudence in assessing this factor and since I do not find the new evidence to be material, there is no basis to disturb the finding of the Board. The Board dealt with the factors in paragraphs 6(5)(c) and 6(5)(d) together, that is the nature of the goods and the nature of the trade, respectively.

[105] The Applicant submitted new evidence about the nature of the trade, but not specifically about the nature of its goods. I have found that the new evidence is not material, so the findings of the Board on this issue are subject to review on the standard of reasonableness.

[106] In dealing with paragraph 6(5)(d) of the Act, that is the nature of the trade, the Board referred to paragraph 12(1)(d) of the Act which provides as follows:

**When trade-mark
registrable**

12 (1) Subject to section 13, a trade-mark is registrable if it is not

**Marque de commerce
enregistrable**

12 (1) Sous réserve de l’article 13, une marque de commerce est enregistrable sauf dans l’un

ou l'autre des cas suivants :

[...]

[...]

(d) confusing with a registered trade-mark;

d) elle crée de la confusion avec une marque de commerce déposée;

[107] The Board described the food products for which the Respondent holds its Registered Mark. It then described the goods for which the Applicant is seeking registration.

[108] In the absence of material new evidence, there is no basis for me to intervene in the findings of the Board. I note that the Board said that the Applicant did not make submission before it about the factors set out in paragraphs 6(5)(c) and 6(5)(d) of the Act and that neither the Respondent's registration nor the Applicant's application for registration of its proposed Mark and Design "contained any restriction on the parties' channels of trade".

[109] In addressing the factor in paragraph 6(5)(e) of the Act, that is the degree of resemblance between the Applicant's proposed Mark and Design, the Board said the following at paragraphs 42, 43 and 44 of its decision about the Design:

[42] In terms of sound, given the similarities between the terms SERA and SEARA, I am of the view that there could be some resemblance between them when sounded by the average Canadian consumer.

[43] Finally, in terms of the ideas suggested, I note that there is no evidence that the Opponent's trade-mark suggests, or that it would be perceived or understood by the average Canadian consumer as, a female given name. On the contrary, the Applicant's own evidence shows that SERA is the plural of the term "serum", and is also the future tense of the verb "être" (to be) in French. In comparison, the Opponent's evidence shows that the word component of the Mark is the name of a geographical location in

Brazil, with no other meanings in English or French. Bearing in mind the meanings associated with the terms in question as well as the design element of the Mark, I am of the view that there is no similarity between the ideas suggested by the Mark and that of the Opponent's trade-mark.

[44] In the end, this factor favours the Opponent.

[110] In its decision about the proposed Mark, it said the following at paragraphs 42, 43, 44 and 45:

[42] The trade-marks need not be identical to one another for there to be resemblance. When considered in their entirety, I am of the view that there are considerable similarities in appearance between the Opponent's trade-mark SERA and the Mark, SEARA.

[43] In terms of sound, given the similarities between the terms SERA and SEARA, I am of the view that there could be some resemblance between them when sounded by the average Canadian consumer.

[44] Finally, in terms of the ideas suggested, I note that there is no evidence that the Opponent's trade-mark suggests, or that it would be perceived or understood by the average Canadian consumer as the female given name "Sara", given that the term SERA is an ordinary word in English and in French, in addition to its surname significance. In comparison, the Opponent's evidence shows that the Mark is the name of a geographic location in Brazil, with no other meanings in English or in French. At the end, I am of the view that there is no similarity between the ideas suggested by the Mark and that of the Opponent's trade-mark.

[45] In view of the foregoing, this factor favours the Opponent.

[111] I have already determined that the new evidence submitted by the Applicant is not material, in the sense of justifying a *de novo* review of all the evidence that was before the Board. The question remains, then, whether the Board reasonably found that this factor favours the Respondent.

[112] In my opinion, that finding meets the test for reasonableness. The Mark consists of three syllables. There are only limited ways or pronouncing these syllables.

[113] The Board found that the Design “is not particularly unique or striking”. There is no basis to intervene in that finding.

[114] The Applicant, in this appeal, does not challenge the Board’s finding that the Respondent’s Registered Mark “has a relatively higher degree of inherent distinctiveness than the Applicant’s proposed Mark and Design.” The Board made the same finding about the Applicant’s proposed Design.

[115] The Applicant now argues that, regardless of the Board’s finding about inherent distinctiveness, its proposed Mark and Design have acquired distinctiveness. In respect of both its proposed Mark and Design it makes the following argument:

The validity of the Respondent’s Registration is not in issue in this matter. However, the distinctiveness of the Registered Mark is highly relevant to the issue of confusion and accordingly, the fact that the registration of the Registered Mark is likely invalid for non-distinctiveness strongly favours a finding of no confusion.

[116] This argument, in my opinion, is not well-founded and in any event is not relevant to the determinative issues in this appeal.

IX. CONCLUSION

[117] Since I have determined that the new evidence submitted by the Applicant is not material, it follows that the decisions of the Board are subject to review on the standard of reasonableness as discussed in *Dunsmuir, supra*.

[118] I am satisfied that having regard to the evidence that was before the Board, including the evidence tendered by the Respondent as Opponent, the Board's findings meet the applicable standard of review, that is reasonableness.

[119] The Applicant did not succeed in its appeal from the decisions of the Board. The Respondent did not participate in this proceeding. It is appropriate that the Applicant bear its own costs.

“E. Heneghan”

Judge

Toronto, Ontario
March 28, 2018

FEDERAL COURT
SOLICITORS OF RECORD

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INC.

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DATE OF HEARING: AUGUST 17, 2017

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DATED: MARCH 28, 2018

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