

Federal Court



Cour fédérale

**Date: 20130409**

**Docket: T-1503-12**

**Citation: 2013 FC 358**

**Vancouver, British Columbia, April 9, 2013**

**PRESENT: The Honourable Mr. Justice Campbell**

**BETWEEN:**

**TCHO VENTURES, INC.**

**Applicant**

**and**

**MM MEYER MARKENVERWALTUNG & CO.**

**Respondent**

**REASONS FOR ORDER AND ORDER**

[1] In the present Application pursuant to s. 56 of the *Trade-marks Act* (the "Act"), the Applicant Tcho Ventures, Inc. ("Tcho") appeals a decision of the Registrar of Trade-marks (the "Registrar") rejecting Tcho's application to register the trade-mark TCHO, Application No. 1,382,666 (the "Mark").

[2] The Registrar rejected the Application on the basis that the trade-mark TCHO is confusing with the Respondent MM Meyer Markenverwaltung & Co.'s ("MM Meyer") registered trade-mark TCHIBO. The Registrar also rejected the Application on the basis that TCHO is not distinctive.

[3] The following rendition of the facts stated by Counsel for MM Meyer is not in dispute.

[4] MM Meyer has extensively used the trade-mark TCHIBO in association with coffee in Canada since 1981. TCHIBO brand coffee is sold all across Canada in grocery stores and independently owned food stores. Between 1996 and 2009, wholesale sales of TCHIBO brand coffee exceeded \$11 million. MM Meyer has also made significant investments in the advertising and promotion of the TCHIBO brand in Canada. The TCHIBO trade-mark is registered under Canadian Trade-mark Registration No. TMA273, 122.

[5] On February 8, 2008, Tcho filed the Application to register the trade-mark TCHO based on proposed use in Canada in association with the following wares and services: Cocoa products, namely baking chocolate, cocoa mixes; cocoa powder, and chocolate bars; powdered chocolate and vanilla; flavoring syrups to add to alcoholic and non-alcoholic beverages; chocolate food beverages not being dairy-based or vegetable based; hot chocolate; alcoholic and non-alcoholic cocoa beverages with milk; prepared cocoa and cocoa-based alcoholic and non-alcoholic beverages; preparations for making chocolate or cocoa based drinks, namely, liquid and powdered hot chocolate mix and liquid and powdered hot cocoa mix; chocolate and candy, namely, chocolates, chocolate bars, chocolate-covered coffee beans, chocolate truffles, chocolate-covered fruits, chocolate-covered nuts, chocolate-covered dried fruits, chocolate-covered crackers and chocolate

toppings; chocolate ganache; chocolate sauce; chocolate topping; coffee; ground coffee; coffee beans; prepared coffee and coffee-based alcoholic and non-alcoholic beverages; prepared espresso and espresso-based alcoholic and non-alcoholic beverages; liqueurs. Retail store services, mail order catalog services, and internet catalog services, all featuring chocolates, confections, baked goods, coffee, cutlery, kitchen gadgets, kitchen appliances, kitchen utensils, tableware, glassware, barware, books, pre-recorded music, and clothing; cafes.

[6] The Registrar found that there was direct overlap in some of the wares covered in the Application with MM Meyer's coffee wares. The Registrar also found that the Tcho's wares and services that did not directly overlap were related to MM Meyer's coffee wares to the extent that they were all food and beverages or related in some way to coffee. The Registrar found that the marks bore a fairly high degree of resemblance, that there was no evidence that others use similar marks or even marks that begin with TCH, and that MM Meyer's mark had become better known than the Tcho's Mark. For all of these reasons, the Registrar rejected the Application on the basis that the Mark was confusing with MM Meyer's registered mark TCHIBO. The Registrar also concluded that the Mark was not distinctive of the Applicant.

[7] In the present Application with respect to the key issue of confusion, Counsel for Tcho makes the following primary argument.

[8] Tcho argues that the Registrar's decision is unreasonable on two grounds. The first ground relates to paragraph 20 of the decision, where the Registrar makes the following finding:

[20] There is a direct overlap between the parties' wares insofar as coffee and coffee-based beverages are concerned. In addition, the

remaining wares of the Applicant are related to the Opponent's coffee to the extent that all of the Applicant's wares are food or beverages. The Applicant's services are also related to the Opponent's wares in that the Applicant's services all relate in some way to coffee.

Counsel for Tcho argues that the Registrar made an erroneous finding of fact: services listed in its statement of services do not all relate to coffee in some way.

[9] As already set out above, the Applicant's statement of services provided as follows:

Retail store services, mail order catalog services, and internet catalog services, all featuring chocolates, confections, baked goods, coffee, cutlery, kitchen gadgets, kitchen appliances, kitchen utensils, tableware, glassware, barware, books, pre-recorded music, and clothing; cafes [Emphasis added].

It is apparent that the Registrar was of the view that all of the services related to coffee because coffee is named as one of the features of all of the services. Within this context, I find that the Registrar was entitled to reach this conclusion and I find that the conclusion is reasonable.

[10] Tcho also argues that the Registrar failed to separately consider the non-overlapping wares and services, or in the alternative, if they were considered, the grouping of coffee-related wares and non-coffee related wares together as "food and beverages" is unreasonable. I accept Counsel for MM Meyer's argument that the Registrar did not fail to separately consider the non-overlapping wares and services:

It was reasonable and correct for the Registrar to find that the wares in the Application are all part of the general class of food and beverages. It is clear on the face of the Application that these items are all properly considered as "food and beverages" and the Applicant has not provided any evidence which would support a different finding.

Also, the Registrar was aware of her ability to issue a "split decision" and allow the Application in respect of a portion of the wares and services found to be confusing and to allow only non-confusing items to proceed to registration. Despite having the ability to allow a portion of the Application, the Registrar elected against this approach and instead found that the Application as a whole was confusing. She stated:

Having considered all the surrounding circumstances, I find that the Applicant has not met its legal burden. The Opponent has a unique mark that it has used and promoted to a substantial degree in Canada for a number of years. The Applicant's Mark resembles the Opponent's mark to a fair degree. The Applicant has not established any reputation in association with its Mark but proposes to use it in fields that overlap with or are related to the field in which the Opponent's mark has been established. The issue is whether a consumer who has a general and not precise recollection of the Opponent's mark, will, upon seeing the Applicant's Mark, be likely to think that the wares/services share a common source. I cannot answer that question in the negative. The fact that both parties' marks are related to the food/beverage industry plus the fact that there is no evidence that anyone else uses the prefix TCH in that field supports a conclusion that confusion as to source is reasonably likely.

(Respondent's Memorandum of Fact and Law, paras. 45 - 46)

In my opinion, the Registrar's findings as quoted above are well within the realm of reasonableness.

[11] The Applicant also takes a second approach to this case. Counsel for Tcho argues that I am able to decide the issue of confusion *de novo* on the basis of an "additional evidence" argument. Counsel for MM Meyer submits that no such basis exists in the present case because Tcho has not produced any additional evidence. MM Meyer argues that an argument not before the Registrar does not constitute "new evidence" and does not entitle the Applicant to a *de novo* hearing. I agree

with this submission. The law on allowing the Court to replace its discretion for that of the Registrar is clear:

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 (*Molson Breweries, A Partnership v. John Labatt Ltd.* (2000), 5 CPR (4th) 180 at para 29 (FCA)).

(Respondent's Memorandum of Fact and Law, para. 21)

[Emphasis added].

Because Counsel for Tcho has not met the test of producing additional evidence that would have materially affected the Registrar's decision, I reject Tcho's second approach to this case.

[12] Accordingly the present appeal is dismissed.

**ORDER**

**THIS COURT ORDERS that:**

1. The present Appeal is dismissed.
2. I award costs to the Respondent.

“Douglas R. Campbell”

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Judge

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-1503-12

**STYLE OF CAUSE:** TCHO VENTURES, INC. v  
MM MEYER MARKENVERWALTUNG & CO.

**PLACE OF HEARING:** Vancouver, BC

**DATE OF HEARING:** April 8, 2013

**REASONS FOR ORDER  
AND ORDER BY:** CAMPBELL J.

**DATED:** April 9, 2013

**APPEARANCES:**

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