

1960  
 June 20, 21,  
 22, 23  
 1961  
 July 5

BETWEEN:

CHARLES YEATES & COMPANY } PLAINTIFF;  
 LIMITED .....

AND

INDEPENDENT GROCERS' ALLI- } DEFENDANT.  
 ANCE DISTRIBUTING COMPANY }  
 LIMITED .....

*Trade Marks—Infringement—Passing off—Whether trade marks “Royal Gold” and “Royal” confusing—Whether “Royal” a “common laudatory epithet” or “clearly descriptive or misdescriptive” word mark—“Similar”—“Distinctive”—Trade Marks Act, S. of C. 1962-53, c. 49, ss. 2(b), (f), 6(1)(2)(5), 7, 18(1)(a)(b), 18(2), 19, 20—The Unfair Competition Act, R.S.C. 1952, c. 274, s. 2(f)(k)(o).*

In 1953 the plaintiff, who had been using the word “Royal” as a trade mark extensively and continuously in association with its products since 1922, obtained registration of the word as a trade mark for use in association with ice cream, ice cream sundries, milk, cream, buttermilk, cottage cheese, chocolate dairy milk, evaporated milk and condensed milk. The defendant in 1957 registered the trade mark “Royal Gold” for use in association with butter, ice cream, eggs and cheese slices. In an action for infringement and passing off the plaintiff sought an order to amend the defendant’s registration by striking out therefrom the words “Royal” or “Royal Gold”. The defendant counterclaimed for an order striking out the plaintiff’s registration of the word “Royal” for use in association with ice cream.

*Held:* That having regard to the considerations mentioned in s. 6 of the *Trade Marks Act*, and the principles set out in *British Drug Houses Ltd. v. Battle Pharmaceuticals*, [1944] Ex. C.R. 239 (affirmed [1946] S.C.R. 50), the defendant’s mark “Royal Gold” is not confusing with the plaintiff’s mark “Royal” within the meaning of the *Trade Marks Act* and does not infringe any right flowing from its registration.

2. That since the evidence disclosed no act or conduct on the part of the defendant contrary to the prohibitions contained in s. 7 of the *Trade Marks Act*, the claim for passing off fails.
3. That as applied to goods the word “royal” is not a common laudatory epithet, nor is it “clearly descriptive or misdescriptive” of the quality of goods so as to fall within the prohibition of s. 26(1)(f) of the *Unfair Competition Act*.
4. That the mark “Royal” was not “similar” within the meaning of the *Unfair Competition Act* to “Royal Purple”, “Royal Oxford”, “Royal African”, “Mount Royal”, “Royal Canadian” or “Royal Scarlet”, which were already on the register in respect of some of the same or similar wares at the time of the plaintiff’s registration was not objectionable on that ground.
5. That, in seeking expungement of the plaintiff’s registration under s. 18(1)(b) of the *Trade Marks Act*, the onus was on the defendant to show that at the time of the commencement of the proceedings the plaintiff’s mark “Royal” was not distinctive and, as this onus has

not been discharged, the defendant's claim failed. *Great Tower Street Tea Co. v. Smith*, 6 R.P.C. 165; *Coca-Cola Co. of Canada v. Pepsi-Cola Co. of Canada*, [1940] S.C.R. 17; *R. DeMuths Application*, 44 R.P.C. 27, distinguished.

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ACTION for infringement and passing off. Counterclaim for an order striking out registration of plaintiff's trade mark.

The action was tried before the Honourable Mr. Justice Thurlow at Ottawa.

*F. A. Brewin, Q.C.* and *Ian Scott* for plaintiff.

*Harold G. Fox, Q.C.* and *D. F. Sim* for defendant.

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

THURLOW J. now (July 5, 1961) delivered the following judgment:

In this action the plaintiff claims an injunction and other relief for infringement of its registered trade mark "Royal" and for passing off by the use by the defendant of the trade mark "Royal Gold" and an order amending the defendant's registration of the latter mark by striking out therefrom the words "Royal" or "Royal Gold." The defendant counterclaims for an order striking out the plaintiff's registration of the trade mark "Royal" for use in association with ice cream.

The plaintiff is an Ontario corporation and since 1922 has carried on business in Guelph as a manufacturer of dairy products. In that year it began using the word "Royal" as a trade mark and has used it continuously ever since, chiefly in association with ice cream and ice cream products, which it has advertised extensively and sold in substantial volume in southern Ontario. The mark has been and is used in association with ice cream of superior quality, which commands a higher price on the market than inferior grades of ice cream. The plaintiff also manufactures a lower grade of ice cream, which it markets at a lower price, using in association therewith the word "Regal". In the area in which the plaintiff's products are marketed, it has been the practice of shopkeepers to handle only one manufacturer's ice cream, and the plaintiff, besides supplying material advertising its ice cream, has been accustomed to lend to the retailers by whom its products

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are sold refrigerators or cabinets in which to store its products, on the understanding that only products of its manufacture would be stored therein, the purpose apparently being to ensure that only the plaintiff's ice cream would be sold at these shops.

In 1947 the plaintiff applied for and ultimately in 1953 it obtained registration of the word mark "Royal" for use in association with ice cream and ice cream sundries, milk, cream, buttermilk, cottage cheese, chocolate dairy milk, evaporated milk, and condensed milk. At the time of the plaintiff's application, there were already on the register some 72 registrations of trade marks which either consisted of the word "Royal" alone or included that word in combination with another or others, all for use in association with food products of one kind or another or products in some way associated with food. Eight of these registrations consisted of the word "Royal" alone and were made between 1878 and 1932. By virtue of one registration of its own and assignments of six others, by 1946 seven of these eight registrations stood in the name of Standard Brands Ltd. and together were for use in association with baking powder, yeast powder, prepared mixes for cake, muffins and pie crust, yeast cakes, baking soda, flavouring extracts, cream of tartar, starch (not including laundry starch or rice starch), puddings, pie fillings, desserts, mayonnaise, 1000 island dressing, and other salad dressings, and sandwich spread. Between 1947 and the commencement of this action, these seven registrations or some of them had been amended to include, as well, corn and other cereal chips, margarine, tea, coffee, cocoa, mixes for preparing soft drinks, jelly mixes, mixed nuts, pecans, soup base for soups, and seasonings. The other registration of "Royal" prior to the plaintiff's application was that of Worcester Salt Co., obtained in 1925, for use in association with salt and salt compounds. The rights under this registration were assigned to Morton Salt Co. of Illinois in 1948. Of the registrations of "Royal" in conjunction with some other word or words, only that of "Mount Royal" in 1933 specifically referred to ice cream, though "Royal Purple" purported to be in respect of "human foods other than tea" and "Royal Table" purported to include in its list "any other food and all alimentary products." Of the others, "Royal Oxford" included cheese,

“Royal African” included condensed milk, “Mount Royal” included milk, cream, buttermilk, and cheese, “Royal Canadian” included evaporated milk, condensed milk, and cream in tins, and “Royal Scarlet” included cheese.

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The defendant is an organization which licenses wholesale grocery distributors to operate under its name, using methods and procedures which it has developed, including its merchandising and advertising programs. The distributors in turn license retail grocery stores in their areas to use the IGA name and promote their sales by the IGA methods. In 1954, through its licensed distributors the defendant began using the mark “Royal Gold” in association with eggs, ice cream and cheese slices, the products so marked being sold in substantial volumes in numerous outlets in Canada, including some 40 stores in the area in which the plaintiff’s products are sold. In 1957 the defendant applied for and obtained registration of “Royal Gold” as a certification mark to be used in association with butter, ice cream, eggs and cheese slices. In 1959 the plaintiff discovered in three of the stores which were handling its products ice cream bearing the mark “Royal Gold”, and in one of these stores the ice cream so marked, as well as ice cream bearing the plaintiff’s mark, was in a refrigerator or cabinet which the plaintiff had provided. The plaintiff, through its solicitor, thereupon demanded that the defendant stop using its mark in association with products of the kind manufactured by the plaintiff and, upon the defendant’s refusing or failing to comply, brought the present action.

At the trial, evidence was given by Mr. John A. Kitchen, a dealer in creamery and ice cream machinery and supplies carrying on business in Toronto, that to him the word “Royal”, when used in association with ice cream, meant that the ice cream was of the plaintiff’s manufacture. This witness had suggested the adoption of “Royal” by the plaintiff as its mark in 1922, and he had from time to time supplied refrigeration equipment to the plaintiff. Another witness, Mr. Alfred Hales of Guelph, stated that to him the word “Royal” in any context, when associated with ice cream, means the plaintiff’s ice cream. He is a dealer in frozen foods, he handles the plaintiff’s ice cream, and it does not appear that he buys or sells the ice cream of any

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other manufacturer. It is probable that to these witnesses the association of the word "Royal" with the plaintiff would be particularly strong. The only other witness called on behalf of the plaintiff was Charles Yeates, the president and principal shareholder of the plaintiff company, who gave evidence of the extent of the advertising and use of the mark by the plaintiff.

I turn first to the question whether the use by the defendant of the mark "Royal Gold" in association with ice cream infringes any right of the plaintiff which flows from its registration of the mark "Royal". By s. 19 of the *Trade Marks Act*, S. of C. 1952-53, c. 49, subject to certain exceptions to which it is unnecessary to refer, registration of a trade mark in respect of any wares gives to the owner the exclusive right to the use throughout Canada of such trade mark in respect of such wares, and by s. 20 the right of the owner of a registered trade mark to its exclusive use is deemed to be infringed by a person not entitled to its use under the Act who sells, distributes, or advertises wares or services in association with a confusing trade mark. "Confusing", when applied as an adjective to a trade mark, is defined by s. 2(b) as meaning a trade mark the use of which would cause confusion in the manner and circumstances described in s. 6. The relevant portions of s. 6 are as follows:

6. (1) For the purposes of this Act a trade mark . . . is confusing with another trade mark . . . if the use of such first mentioned trade mark . . . would cause confusion with such last mentioned trade mark . . . in the manner and circumstances described in this section.

(2) The use of a trade mark causes confusion with another trade mark if the use of both trade marks in the same area would be likely to lead to the inference that the wares or services associated with such trade marks are manufactured, sold, leased, hired or performed by the same person, whether or not such wares or services are of the same general class.

(5) In determining whether trade marks . . . are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including

- (a) the inherent distinctiveness of the trade marks . . . and the extent to which they have become known;
- (b) the length of time the trade marks . . . have been in use;
- (c) the nature of the wares, services or business;
- (d) the nature of the trade; and
- (e) the degree of resemblance between the trade marks . . . in appearance or sound or in the ideas suggested by them.

As a mark, "Royal" has, I think, some, but not much, inherent distinctiveness. The word is used both alone and in combinations with other words as the mark or part of the mark applied to a wide variety of goods by different traders to distinguish their goods from those of others. Because of this, "Royal" by itself, in my opinion, constitutes at best a weak mark, offering no wide range or field of distinctiveness for any particular trader. The mark "Royal Gold" has, to my mind, greater inherent distinctiveness, but I would class it, too, as a weak, rather than a strong mark. "Royal" has, however, been in use by the plaintiff in association with its products and, in particular, its ice cream for some 37 years preceding the commencement of this action, and I think it may be inferred that it has become well known to the public as the mark of the plaintiff's ice cream in the area in which the plaintiff's products are sold. "Royal Gold" has also been in extensive use for a period of time which, though much shorter, is also a substantial period, and I think it may safely be assumed that it, too, has become well known as a mark. The products in association with which both parties use these marks are items of food and are thus of a kind which are repeatedly purchased. The purchasers of such goods, in my opinion, generally know the trade marks on the goods they desire and are readily able to recognize differences in the marks. In this situation, it is a striking fact that, notwithstanding the use of both marks in the same area over a substantial period, the plaintiff could offer no evidence of any instance of actual confusion having occurred between its wares and those of the defendant or its licensees. Moreover, while there is some resemblance between these two marks in appearance and sound and there seems to be, as well, some resemblance in the ideas suggested by the two marks, I am of the opinion that anyone even vaguely aware of the plaintiff's mark would be struck more by the difference than by any resemblance between it and "Royal Gold" and would not be likely to regard "Royal Gold" as indicating the same source as "Royal", though it might cause some persons, and particularly those most familiar with the plaintiff's business and the nature of the defendant's operations, to wonder if the wares bearing the mark "Royal Gold" might not have been manufactured and packed by the plaintiff for the

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defendant. This, however, is far from producing a belief or an inference that the goods marked "Royal Gold" are those of the plaintiff. Having regard to the considerations mentioned in s. 6 of the *Trade Marks Act*, as well as to the principles set out in the judgment of the President of this Court in *British Drug Houses Ltd. v. Battle Pharmaceuticals*<sup>1</sup>, which were recently referred to and applied by him in this Court in *Sealy Sleep Products v. Simpson Sears Ltd.*<sup>2</sup> and which I see no reason to repeat here, I have come to the conclusion that the use by the plaintiff of "Royal" and by the defendant of "Royal Gold" in the area in which the plaintiff's products are sold is not likely to lead to the inference that the wares associated with such trade marks are manufactured or sold by the same person. The defendant's mark "Royal Gold" is, accordingly, not confusing with the plaintiff's mark "Royal" within the meaning of that term in the *Trade Marks Act* and does not infringe any right flowing from its registration.

It follows that the plaintiff's claim, so far as it is based on infringement of its registered mark, must fail. And since the only ground advanced at the trial for striking out or amending the defendant's registration of "Royal Gold" was that "Royal Gold" is confusing with the plaintiff's registered mark, it follows that this claim fails, as well.

The plaintiff's claim for relief is also based on alleged passing off by the defendant through its licensees of their goods as goods of the plaintiff. As already mentioned, however, there is no evidence that anyone has ever purchased ice cream or any other product bearing the mark "Royal Gold" in the belief that it was manufactured by the plaintiff, and in the circumstances described there is, in my opinion, no practical likelihood of this occurring. As already indicated, the use of the mark "Royal Gold" is, in my view, not likely of itself to cause such an erroneous belief and, having regard to the fact that this mark appears on the defendant's packages preceded by the letters "IGA" in prominent type, whereas the plaintiff's packages state that the product is that of Charles Yeates and Co. Ltd., and to the many differences in the decoration of the pack-

<sup>1</sup>[1944] Ex. C.R. 239; [1946] S.C.R. 50.

<sup>2</sup>June 2, 1960. Unreported.

ages, as well as the difference in price, I do not think there is any likelihood of anyone mistaking the one product for the other or thinking, when he buys "Royal Gold" ice cream, that he is buying the product sold by the plaintiff as "Royal" ice cream. In fact, the only important feature the contending packages appear to have in common is the word "Royal", which, while it may tend to remind some people of the plaintiff, is in the whole of the circumstances, in my opinion, not calculated to lead to an inference or belief that the products marketed by the defendant or its licensees are products of the plaintiff. The plaintiff may well be troubled by the prospect that it may lose business through the abandonment by some shopkeepers of the practice of handling only one manufacturer's ice cream in their stores, but in my opinion the evidence discloses no act or conduct on the part of the defendant or its licensees contrary to the prohibitions against unfair competition contained in s. 7 of the *Trade Marks Act*. This ground, as well, accordingly fails as a basis for any of the relief claimed.

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It remains to deal with the defendant's counter claim for expungement of the plaintiff's registration of "Royal" in respect to ice cream. At the trial, this registration was attacked on the ground that it was invalid both under clause (a) of s. 18(1) of the *Trade Marks Act* as having been not registrable at the date of its registration and under clause (b) of the same subsection as being not distinctive at the time of the commencement of these proceedings.

Section 18 of the *Trade Marks Act* provides:

18. (1) The registration of a trade mark is invalid if
- (a) the trade mark was not registrable at the date of the registration;
  - (b) the trade mark is not distinctive at the time proceedings bringing the validity of the registration into question are commenced; or
  - (c) the trade mark has been abandoned; and subject to section 17, it is invalid if the applicant for registration was not the person entitled to secure the registration.

(2) No registration of a trade mark that had been so used in Canada by the registrant or his predecessor in title as to have become distinctive at the date of registration shall be held invalid merely on the ground that evidence of such distinctiveness was not submitted to the competent authority or tribunal before the grant of such registration.



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It follows from s. 18(1)(a) that a registration is invalid if the mark was not registrable at the time of its registration unless the registration can be saved under s. 18(2). It may be noted here that no attempt was made to support the registration under s-s. (2).

The law in force relating to registration of trade marks at the time of the plaintiff's registration of "Royal" was the *Unfair Competition Act*, by s. 26 of which it was provided that a word mark should, subject as otherwise provided in the Act, be registrable if it met certain conditions therein enumerated, one of which was that it should not be "to an English or French speaking person clearly descriptive or misdescriptive of the character or quality of the wares in connection with which it is proposed to be used, or of the conditions of, or the persons employed in, their production, or of their place of origin." By s. 2(o) a word mark was defined as meaning

a trade mark consisting only of a series of letters and/or numerals and depending for its distinctiveness upon the idea or sound suggested by the sequence of the letters and/or numerals and their separation into groups, independently of the form of the letters or numerals severally or as a series.

Section 2(m) defined trade mark as follows:

"Trade mark" means a symbol which has become adapted to distinguish particular wares falling within a general category from other wares falling within the same category and is used by any person in association with wares entering into trade or commerce for the purpose of indicating to dealers in, and/or users of such wares that they have been manufactured, sold, leased or hired by him, or that they are of a defined standard or have been produced under defined working conditions, by a defined class of persons, or in a defined territorial area, and includes any distinguishing guise capable of constituting a trade mark;

In *Registrar of Trade Marks v. G. A. Hardie & Co. Ltd.*,<sup>1</sup> on an appeal from a judgment of this Court allowing an application pursuant to s. 29 of the Act for registration of a mark, notwithstanding the fact that it was clearly descriptive and thus unregistrable as offending s. 26, the majority of the Supreme Court of Canada held that the principle of the *Perfection Case, Joseph Crosfield's & Sons Ltd. Application*<sup>2</sup> that no amount of use of an ordinary laudatory epithet would be sufficient to take it out of the common domain and enable the user to have it registered as his trade mark under the *Unfair Competition Act* was

<sup>1</sup>[1949] S.C.R. 483

<sup>2</sup>(1906) 26 R.P.C. 837

applicable in determining the capability of a word to become "adapted to distinguish" and thus registrable under the *Unfair Competition Act*.

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Kerwin J. (as he then was) said at p. 489:

It was not contended that if the Court came to the conclusion that "SUPER-WEAVE" was an ordinary laudatory expression the application should succeed, but in view of the argument addressed to us, it is advisable to state what appears to be the proper construction of s. 29 of the Act. The opening words of subsection 1 "notwithstanding that a trade mark is not registrable under any other provision of this Act" require one to examine the definition of trade mark in section 2(m). That definition states that "trade mark" means a symbol "which has become adapted to distinguish". While this wording differs from section 9 of the English Act in question in the Perfection Case, since in s. 9 "distinctive" is stated to mean "adapted to distinguish", no distinction should be drawn between the uses of the different tenses. Turning again to s. 29, while the Court is empowered to grant the declaration mentioned, notwithstanding that a trade mark is not registrable under any other provision of the Act, the original idea underlying such legislation, as it has been developed in England, should be followed here, with the result that, if a word is held to be purely laudatory, no amount of use or recognition by dealers or users of words as indicating that a certain person assumes responsibility for the character or quality of the merchandise would be sufficient to take such an expression out of the common domain and enable the user thereof to become registered as the owner of a trade mark under *The Unfair Competition Act*.

Taschereau J. said at p. 490:

With due respect, I cannot agree, as I believe that the compound word "Super-Weave" is a laudatory epithet, and is capable of application to the goods of anyone else. Of its very nature it is common property and cannot be made the subject of monopoly. It is used for the purpose of advertising the superior quality of the weaving of a particular commodity.

Estey J. said at p. 508:

The language and plan of our statute is substantially different from the *Trade Marks Act* of 1905 in Great Britain but in principle its provisions for registration are similar and in effect much the same. It has always been recognized in both the common and statute law of both countries that with respect to trade marks there are words of such common and ordinary use that no person should be permitted to adopt them as trade marks and thereby acquire the exclusive right or monopoly to the use thereof. Even if in a particular instance in relation to specific wares evidence established "distinctiveness in fact" there remained that larger consideration of public interest which prevented their classification as words "adapted to distinguish." No amount of use by an individual could defeat the public interest and make possible their adoption as a trade mark. In the present enactment Parliament has not only not indicated a change but has adopted the phrase "adapted to distinguish" well known in the law of Great Britain under which this very principle is protected. Its meaning and position in Great Britain would be presented to Parliament in the adoption of this phrase, and, indeed, it might with

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propriety be suggested that the language was for that very reason adopted. In any event, a survey of the relevant sections and of the statute as a whole lead to the conclusion that the phrase "adapted to distinguish" has the same meaning in our statute as under the statute of Great Britain. It follows that words commonly used and appropriately described as laudatory epithets cannot become registrable as trade marks.

The same principle had previously been held applicable by this Court under the same Act in the *Hardie* case, as well as in *C. Fairall Fisher v. British Columbia Packers Ltd.*<sup>1</sup> and in *Standard Stoker Co. Inc. v. Registrar of Trade Marks.*<sup>2</sup>

The first objection to the plaintiff's registration advanced by counsel for the defendant was that "Royal" is a purely laudatory epithet registration of which was contrary to the principle applied in the *Hardie* case and that, in any event, "Royal" is a descriptive word, registration of which was contrary to s. 26(1)(c) except upon an application pursuant to s. 29, which was not made.

The word "Royal" has a variety of meanings and senses which depend on the context in which it is used. In some usages, it refers to some association or connection with the sovereign, in others to royal patronage, and in still others it appears to be simply a name, as when applied to a sail or a mortar or part of an antler. On the other hand, the *Shorter Oxford Dictionary* also gives among its meanings those of befitting, appropriate to, a sovereign, stately, magnificent, splendid; noble, first-rate. When used in this sense, "royal" is undoubtedly a laudatory adjective. To my mind, however, this is not a common but an infrequent usage of the word except in certain expressions such as "a royal welcome," and in this sense one rarely, if ever, finds this word chosen to praise or describe the quality of goods. Notwithstanding the statements by some of the witnesses that to them "Royal" on a product signified a good product, in my opinion, when the word "Royal" alone is used in this country in association with goods, and particularly goods such as ice cream and other dairy products, it is not used as an adjective and is not generally regarded as an adjective. It indicates neither connection with the sovereign nor royal patronage, nor does it impress me as referring to the quality of the goods. It is only when one's mind dwells at length on what it could mean that a possible

<sup>1</sup>[1945] Ex. C.R. 128

<sup>2</sup>[1947] Ex. C.R. 437

reference to quality suggests itself. As applied to goods, I would accordingly not regard "royal" as a common laudatory epithet which cannot on the principle applied in the *Hardie* case become registrable as a trade mark. Nor for the same reasons do I think "royal" is "clearly descriptive or misdescriptive" of the quality of the goods so as to fall within the prohibition of s. 26(1)(f) of the *Unfair Competition Act*.

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The second objection upon which counsel for the defendant submitted that the plaintiff's mark was not registrable at the time of its registration was that it was similar to other word marks already registered for similar wares and its registration was, therefore, contrary to s. 26(1)(f) of the *Unfair Competition Act*. In support of this submission, counsel pointed to the registrations of "Royal Purple", "Royal Oxford", "Royal African", "Mount Royal", "Royal Canadian" and "Royal Scarlet" in respect to various foods, including in one or another ice cream and most of the other products named in the plaintiff's registration, and he took the position that in each case these were registrations in respect of wares in whole or in part similar to the wares referred to in the plaintiff's registration and that, if "Royal Gold" and "Royal" were confusing marks, "Royal" was similar to these other marks and should not have been registered.

In my opinion, the question whether "Royal" was registrable or not at the time of its registration is not to be resolved by reference to whether "Royal Gold", when registered, was "confusing" with "Royal" within the meaning of the *Trade Marks Act* but by the proper application of the statutory provisions in effect at the time of the plaintiff's registration of "Royal". Moreover, even if the statutory provisions then and now in effect were identical, it would not necessarily follow that the result of comparing "Royal" with other registered marks containing the word "Royal" would be the same as from comparing "Royal" with "Royal Gold" for each mark must be considered on its own. Section 26(1)(f) of the *Unfair Competition Act* was as follows:

26. (1) Subject as otherwise provided in this Act, a word mark shall be registrable if it

(f) is not similar to, or to a possible translation into English or French of, some other word mark already registered for use in connection with similar wares . . .

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And by s. 2(k) it was enacted that:

2. In this Act, unless the context otherwise requires:—

\* \* \*

- (k) "Similar," in relation to trade marks, trade names or distinguishing guises, describes marks, names or guises so resembling each other or so clearly suggesting the idea conveyed by each other that the contemporaneous use of both in the same area in association with wares of the same kind would be likely to cause dealers in and/or users of such wares to infer that the same person assumed responsibility for their character or quality, for the conditions under which or the class of persons by whom they were produced, or for their place of origin;

In my opinion, while there may in some and perhaps all cases have been some similarity of wares within the meaning of s. 2(l) of the *Unfair Competition Act*, "Royal" was not similar, within the meaning of s. 2(k), to any of the marks "Royal Purple", "Royal Oxford", "Royal African", "Mount Royal", "Royal Canadian" and "Royal Scarlet", and its registration was not objectionable on that ground.

The other main ground of the defendant's attack on the plaintiff's registration was that the word "Royal" was not distinctive at the time of the commencement of these proceedings. In support of this ground, it was urged that the word "Royal" is common to the trade, and reference was made to the judgment of North J. in *Great Tower Street Tea Co. v. Smith*<sup>1</sup> and to the judgments of the Supreme Court of Canada and the Privy Council in *Coca-Cola Co. of Canada Ltd. v. Pepsi-Cola Co. of Canada Ltd.*<sup>2</sup> In my opinion, neither of these cases is of much help in considering the present problem. In the *Tower Tea* case, the court was considering the words "not in common use" which appeared in the applicable statute. In the *Coca-Cola* case, the word "Cola" was considered to be common to the trade, but the registration of "Coca-Cola" was not expunged. And in *R. Demuth's Application*<sup>3</sup>, which was also cited, registration of "Seda Seltzer" was granted despite the opposition of the owner of "Alka-Seltzer", even though the word "Seltzer" was held to be common to the trade. The issue here, as I see it, is whether the mark "Royal" at the time of the commencement of these proceedings was distinctive, the onus of showing that it was not distinctive

<sup>1</sup> 6 R.P.C. 165<sup>2</sup> [1940] S.C.R. 17; 59 R.P.C. 127<sup>3</sup> (1948) 65 R.P.C. 342.

resting on the party attacking the registration. On this issue, evidence that the mark was common to the trade, either in the sense of being in common use in the trade or in the sense of being open to the trade to use by reason of its being a word commonly used to describe the goods, would in my opinion tend to show lack of distinctiveness, but descriptiveness is not necessarily incompatible with distinctiveness (*vide* Fletcher Moulton L.J. in the *Perfection* case<sup>1</sup>) and it must, I think, be kept in mind that the question to be answered is not whether the mark was common to the trade in either of these senses but whether, on the whole, the mark as registered was distinctive at the time of the commencement of the proceedings. By s. 2(f) of the *Trade Marks Act*, “distinctive” in relation to a trade mark is defined as meaning “a trade mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them.” Whether or not a trade mark actually distinguishes wares in association with which it is used by its owner from those of others is a question of fact depending on the circumstances disclosed in evidence. *Vide* Lord Dunedin in *Re the Application of F. Reddaway & Co. Ltd.*<sup>2</sup>

That the word “Royal” is employed widely as part of the names of many different businesses, both within and beyond those having to do with food, and that it forms part of many trade marks is abundantly clear. In some of these usages, particularly where it is used as an adjective qualifying another word or words with which it is used, it appears to have some meaning, but for the most part in these usages the word, in my opinion, is practically, if not entirely, meaningless and, while vaguely suggesting splendour, in fact suggests nothing descriptive of the business or firm or its wares or services. As used by the plaintiff in association with its wares, the word “Royal”, in my opinion, is not descriptive of the quality of the goods, even though in the case of ice cream it is used by the plaintiff only in association with a product of superior grade and, as already

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<sup>1</sup> (1909) 26 R.P.C. 837 at 857.

<sup>2</sup> (1927) 44 R.P.C. 27.

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indicated, in my view it is not a word in common use in trade for the purpose of describing the quality of wares. The mark is accordingly not common to the trade in that sense.

Nor, in my opinion, is "Royal" in such common use in the trade as to be incapable on that account of being distinctive. As a mark, I regard the word "Royal" by itself as substantially different from the marks in evidence consisting of combinations of words which include it, and for this reason I think the use of the word in such combinations may be eliminated. The evidence shows that "Royal" is registered as the trade mark of Standard Brands Ltd. for a considerable number of staple grocery products and that it is in use as the trade mark of that company on at least one product, namely Royal Instant Pudding. It is also registered as the trade mark of Morton Salt Co. for salt and salt compounds, and there has been an application pending since June 6, 1952 for its registration as the mark of Gauthier & Tremblay Ltd. of Chicoutimi for use in association with meat, bacon, sausage, ham, etc. In addition, the evidence shows that there are or have been on the market biscuits, eggs, and furniture produced by different companies but all bearing the word "Royal" as a trade mark, and I see no reason to doubt that there may be others as well. On the other hand, the word has been in use as a trade mark by the plaintiff continuously since 1922 in the particular area of this country in which its products are marketed, and the extent of such use and the advertising which the plaintiff has done have, I think, been calculated to cause this mark to become well known in that particular area as the mark of the plaintiff and as indicating that these particular products, when so marked, are of the plaintiff's manufacture. The evidence of Mr. Hales, in my opinion, supports this inference. Nor is it shown, and this I think is of some importance, that any other producer uses this particular mark on the same products either in the area in which the plaintiff's goods are sold or elsewhere in Canada. On the whole, therefore, I am of the opinion that the word "Royal" has not been shown to be in common use in connection with products of the kind produced by the plaintiff or in the dairy trade, nor is it established that this mark, when used by the plaintiff in association with its ice cream and other products in the

area in which its products are sold does not actually distinguish such wares from those of others, within the meaning of the first part of the definition of "distinctive" in the statute. The defendant has, accordingly, failed to establish that the plaintiff's mark was not distinctive at the material time, and the objection to the plaintiff's registration on this ground, as well, therefore fails.

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The action and the counter claim will be dismissed, both with costs.

*Judgment accordingly.*

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