



HALLOUMI IN CANADA : A TYPE OF CHEESE OR A REGISTRABLE CERTIFICATION MARK ?

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The Ministry of Commerce and Industry of the Republic of Cyprus has lost its latest attempt at registering the certification mark HALLOUMI in association with cheese. The Federal Court of Canada allowed the Registrar's decision to stand, in part, wherein it was held that HALLOUMI had been used in Canada to designate a type of cheese and therefore not registrable (*Ministry of Commerce and Industry of the Republic of Cyprus v. Les Producteurs Laitiers du Canada, Agropur Coopérative Agro-Alimentaire and International Cheese Council of Canada*, 2010 FC 719 (de Montigny, J., June 30th, 2010)).

Certification marks in Canada

A certification mark is a mark that certifies the nature or origin of the goods or services to which it has been applied based on a defined standard. This may include a region or location or origin, materials of construction, method or mode of manufacture or any definable characteristic of the goods or services. Examples of certification marks in Canada include WOOLMARK & design used to identify products that are made of wool, PARMIGIANO REGIANNIO design what designates a type of cheese from Italy and SWISS for chocolate originating from Switzerland.

In contrast to a trade-mark which is used to distinguish goods of one owner from those of another, a certification mark is used to distinguish goods that comply with a defined standard. As such, a certification mark may only be adopted and registered by a person who is not itself engaged in the production or sale of the goods or services but must be competent to certify that the requirements have been met by any user. The owner of the certification mark may licence others to use the mark in association with goods that meet defined standards and such use is deemed to be use by the owner.

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Background

On October 23, 1995, the Applicant, The Ministry of Commerce and Industry of the Republic of Cyprus (hereinafter "Cyprus") filed an application to register HALLOUMI as a certification mark for cheese under the following defined standard: the cheese is produced only in Cyprus using the historic method unique to Cyprus, namely it has been produced from sheep's and/or goat's milk. In case of mixtures, cow's milk is also allowed. Raw materials which are used for its productions include rennin, mind leaves and salt.

Numerous oppositions were filed following its publication on March 8, 2002 raising various grounds, amongst them:

- (i) that Cyprus was not the authority that issued licenses authorising the use of mark with cheese and therefore could not claim that the mark used by these licensees inured to itself;
- (ii) that HALLOUMI had by ordinary and bona fide commercial usage become recognised in Canada as designating a kind or quality of cheese and as such, its adoption as a trade-mark was prohibited under the *Trade-marks Act* (Section 12(1)(e) and Section 10).

Who was using the mark?

Based on Cyprus' affidavit evidence before the Opposition Board, it was decided that it was the Ministry of Health in collaboration with the Department of Veterinary Services of the Ministry of Agriculture, Natural Resources and the Environment that issued licenses authorising the use of the Mark in association with the goods. In the absence of evidence regarding the internal operations of the Cypriot government in terms of the responsibility of monitoring the use of the HALLOUMI mark, the Opposition Board concluded that the users of the mark did not obtain their right to use HALLOUMI from The Ministry of Commerce and Industry of the Republic of Cyprus itself but from another governmental body. Since a certification mark is defined as one that is "used", without use by licensees authorised by The Ministry of Commerce and Industry of the Republic of Cyprus, the application did not comply with Section 30 (a) of the Trade-marks Act.

Does HALLOUMI designate a type of cheese?

The Opposition Board decided that one of the Opponents, the Cheese Council had filed conclusive evidence relating to this particular ground of opposition, including (i) packaging from cheese purchased in various cities in Quebec and in Ottawa bearing inscriptions such as HALLOOM and HALOUMI designating a kind of cheese, (ii) several Canadian producers had sold substantial quantities of cheese designated as

HALLOUM since 1995 and (iii) a number of stakeholders in the industry testified that the term “HALLOUMI” was used generically as it served to designate a type of cheese.

The Opposition Board ruled that Cyprus could not claim exclusivity on the HALLOUMI mark because the evidence showed bona fide commercial usage of HALLOUMI or similar terms such that it was recognised in Canada as referring to a type of cheese; its adoption was therefore prohibited under Section 10 and Section 12(1)(e) of the *Trade-marks Act*.

The Federal Court decision

On appeal, Cyprus filed additional evidence which remedied the deficiencies before the Opposition Board on the issue of which entity was using the mark. The Trade Commissioner for the Republic of Cyprus in New York explained the internal workings of the Cypriot government regarding the responsibility for monitoring use of the HALLOUMI mark and how it was Cyprus that had authorized the use of the HALLOUMI mark in Canada in association with cheese manufactured in accordance with the established standard. The Court accepted this evidence and on a standard of correctness, held that Cyprus was the authority with the power to authorise use of the mark.

As for the whether or not HALLOUMI had by ordinary and bona fide commercial usage become recognised in Canada as a type of cheese, no new evidence was filed on this issue and the standard of review applied by the Court was reasonableness. The Court agreed that the Cheese Council’s evidence before the Opposition Board established such bona fide use of HALLOUMI and therefore its adoption was prohibited by the *Trade-Marks Act*.

It is interesting to note that on appeal, Cyprus called into question the date of the Registrar’s decision as being the relevant date for the purposes of assessing registrability under Section 12(1)(e) of the *Trade-Marks Act*, based on a Federal Court case rendered after the Hearing before the Registrar. For procedural reasons, the Court ruled that this argument should be rejected based solely on the ground that it had not been raised as a ground for appeal. The Court nevertheless went on to state that even if it considered this ground, it was bound by the leading Federal Court of Appeal case establishing the relevant date (*Canadian Olympic Assn. v. Olympus Optical Co.*(1991), 38 C.P.R. (3d) 1), until that same Court itself re-evaluated it.

Cyprus has filed an appeal of the Federal Court’s decision. It remains to be seen whether or not the relevant date for assessing registrability under Section 12(1)(e) will

be debated and if so, if it will impact Cyprus' ability to obtain a trade-mark registration for HALLOUMI.

Conclusion

The rights afforded to unique products made in accordance with particular methods vary from one country to another, depending on the legislative schemes in place in each territory. For instance, in a conceptually analogous case, in one of the longest and most controversial disputes concerning geographical indications in Europe, Greece battled other European producers of cheese for 10 years before a ruling was handed down by the ECJ in Greece's favour granting the exclusive right to use the mark FETA in association with cheese. One may venture to say that HALLOUMI is to Cyprus what FETA is to Greece: not a generic name but rather a part of a country's fabric and national history worthy of protection. Whether or not Cyprus will have the benefit of such protection for HALLOUMI in Canada as a certification mark for cheese currently rests in the hands of the Federal Court of Appeal.



