



FEDERAL COURT CONFIRMS REGISTRAR'S DECISION TO PERMIT REGISTRATION OF THE TRADE-MARK *MARCHÉ EXPRESS* FOR FAST-FOOD SERVICES

BARRY GAMACHE^{*}
ROBIC, LLP
LAWYERS, PATENT & TRADEMARK AGENTS

A recent decision by the Federal Court has confirmed an earlier decision rendered by the Registrar of Trade-marks rejecting an opposition by Mövenpick Holding AG against an application filed by Exxon Mobil Corporation to register the trade-mark MARCHÉ EXPRESS in association with convenience store and fast-food services offered at gasoline stations (*Mövenpick Holding AG v. Exxon Mobil Corporation*, 2011 FC 1397 (F.C.), Harrington J., December 1, 2011).

Mövenpick Holding AG (hereafter "Mövenpick") is the owner since 1996 of a registration for the trade-mark MARCHÉ in association with restaurant services. On a somewhat limited scale, it has also used its MARCHÉ trade-mark in association with restaurant services in Canada.

In July 2001, Exxon Mobil Corporation (hereafter "Exxon") opened its first MARCHÉ EXPRESS convenience store in the Montreal area and, a few months later, on December 4, 2001, it filed an application to register this trade-mark, based on its use in Canada since July 19, 2001 *i.e.* the opening date of its store a few months earlier in Montreal.

In November 2004, Mövenpick opposed the MARCHÉ EXPRESS application. It alleged that Exxon's trade-mark could not be registered because of confusion created with its own MARCHÉ trade-mark for restaurant services. It also alleged that the MARCHÉ EXPRESS trade-mark was clearly descriptive of the services associated therewith.

On the issue of descriptiveness, the Registrar concluded that the MARCHÉ EXPRESS trade-mark could not be said to be clearly descriptive of convenience stores. The evidence before the Registrar established that the word "MARCHÉ" was used by many other traders to describe "convenience stores" but that the combined words (MARCHÉ and EXPRESS) did not have a precise meaning when considering the character of convenience store services.

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^{*}Barry Gamache is a member of ROBIC, LLP, a multidisciplinary firm of lawyers, patent and trademark agents. Published in the February 2012 issue of *World Intellectual Property Report*. Publication 142.259.

ROBIC, LLP
www.robic.ca
info@robic.com

MONTREAL
1001 Square-Victoria - Bloc E - 8th Floor
Montreal, Quebec, Canada H2Z 2B7
Tel.: +1 514 987-6242 Fax: +1 514 845-7874

QUEBEC
2828 Laurier Boulevard, Tower 1, Suite 925
Quebec, Quebec, Canada G1V 0B9
Tel.: +1 418 653-1888 Fax.: +1 418 653-0006

On appeal, the Court reviewed the evidence before the Registrar and concluded that its decision was reasonable. This was not however the end of the matter. As new evidence was filed on appeal regarding the issue of descriptiveness, the Court considered the impact of this additional evidence on the Registrar's decision. Before the Court, both sides filed affidavits from linguists who were each cross-examined. Could this evidence change the factual circumstances considered by the Registrar? Since the decision as to whether or not a trade-mark is clearly descriptive must be examined on first impression by the reasonable everyday consumer, expert evidence relating to "grammar, semantics and linguistic constructions" was not considered particularly helpful by the Court. In the end, the Court expressed its agreement with the Registrar's finding that the expression MARCHÉ EXPRESS is not a linguistic construction which flows naturally in the French language and did not have a precise meaning with respect to the character of the applied for convenience store services. In its reasons, the Registrar had concluded that the applied for mark was merely suggestive, a finding that the Court essentially agreed with.

On the other issue *i.e.* alleged confusion between the parties' respective trade-marks, Mövenpick argued that the trade-mark MARCHÉ EXPRESS, when used in association with fast-food services offered at gasoline stations, is confusing with its registered trade-mark MARCHÉ in association with the operation of restaurants.

Again, the Court considered the Registrar's decision and the evidence that was filed by the parties before it. The Registrar concluded that the term "MARCHÉ" was commonly used in the food trade industry so that consumers would be accustomed to encountering the word in their shopping experiences. When a word is in common use, the Registrar wrote that small differences between the marks will suffice to distinguish them and rejected Mövenpick's ground of opposition. The Court agreed with this conclusion.

The Court also examined the new evidence filed on the issue of confusion and concluded that nothing in the new evidence would have affected the Registrar's decision; the Court described this evidence as "more of the same" *i.e.* telephone directories, trade-mark registrations, etc., in other words, evidence similar to the one already before the Registrar. The Court also considered Mövenpick's argument regarding the parties' respective areas of trade as specified in their actual application or registration, as the case may be. While the evidence appeared to show that Exxon's MARCHÉ EXPRESS stores were convenience stores, not fast-food outlets, Mövenpick submitted that it was the presence of fast-food services in the statement of services of Exxon's application that would cause confusion. On this issue, the Court deferred to the Registrar who did not find the presence of fast-food services in Exxon's application to be problematic. Because both parties' marks were two among many other MARCHÉ-type trade-marks, consumers would not be confused by the sight of the parties' respective trade-marks.

In the end, the Court agreed with the various findings made by the Registrar and confirmed the Registrar's earlier decision, despite the additional evidence submitted

by the parties. The Court stated: “Although the first word in a trade-mark may well be more important than others, in this case “Marché” is a weak mark because of its broad-based use, and therefore consumers are more likely to pick up on slight differences”.

This decision is a reminder for traders: when choosing a trade-mark, it is important not to lose sight of what others are doing with precisely the same word. If a word adopted as a trade-mark is already used by many others for similar wares or services, the ambit of protection for a trade-mark whose essential feature is that word will be quite narrow.



ROBIC, LLP
www.robic.ca
info@robic.com

MONTREAL
1001 Square-Victoria - Bloc E - 8th Floor
Montreal, Quebec, Canada H2Z 2B7
Tel.: +1 514 987-6242 Fax: +1 514 845-7874

QUEBEC
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Quebec, Quebec, Canada G1V 0B9
Tel.: +1 418 653-1888 Fax.: +1 418 653-0006