

*Movenpick Holding AG v. Exxon Mobil Corporation and Attorney General of Canada  
(Registrar of Trade-marks) 2011 FC 1397*

This decision assesses clearly descriptive trade-marks and confusion between marks in the Canadian marketplace. It is an appeal of the Registrar of Trade-mark's decision to allow the registration for the trade-mark MARCHE EXPRESS.

Movenpick Holdings AG ("Movenpick") owns the registration for the mark MARCHE in association with operation of restaurants in Canada. Exxon Mobil Corporation applied for the registration of the mark MARCHE EXPRESS in association with convenience store and fast food services offered at its Esso branded gasoline stations claiming use since July 19, 2001 ("Esso").

In its opposition Movenpick the Esso application on the grounds (i) it is clearly descriptive of the applied for services; (ii) it is not registrable as it is confusingly similar to Movenpick's registration; and (iii) the first use date claimed cannot be established by Esso. The Registrar of Trade-marks refused all grounds of opposition and allowed the application. This is the appeal of that decision.

The issues before the Federal Court are: i) standard of review; ii) the reasonableness of the Registrar's decision in light of the evidence before her; and iii) assessment of the new evidence and would it have affected the decision under appeal.

Both parties submitted new evidence, affidavits of linguists with the objective to assess the meaning of "marche express" in the French. Additionally, Movenpick submitted new evidence showing use of the mark MARCHE EXPRESS by third parties in association with convenience store services and evidence to establish the extent its mark MARCHE has become known in Canada. While Esso submitted survey evidence to demonstrate that there was no likelihood of confusion as asserted by Movenpick. It should be noted that Movenpick asserted that the survey evidence was faulty in establishing confusion but supportive in its claim that the "Marche Express" is clearly descriptive of the services.

#### Clearly Descriptive:

The purpose of the clearly descriptive objection is to prevent one person from monopolizing a common word to a trade. It is established that "clearly" means "easy to understand, self-evident or plain" and specifically preserves the registrability of suggestive trade-marks.

The evidence submitted before the Registrar showed widespread use of the word "marche" in association with convenience store services, grocery stores, retail food stores and restaurant and catering services, mostly through the French Canadian Province of Quebec. It was the Registrar's finding that while the term "marche" was commonly used in association with "convenience store" services, that the combined words "marche" and "express" were at best suggestive of the ease of purchasing

items at a convenience stores. The Federal Court found the Registrar's decision to be reasonable based on the evidence before her.

In assessment of the new evidence, the Federal Court found that the linguists affidavits, which discuss rules of grammar, semantics and linguistic constructions regarding the interpretation of the words "marche" and "express" to be unnecessary and not helpful. Further it noted that if anything, the linguist evidence supported the Registrar's finding that the combined words "marche express" is not a linguistic construction which flows naturally in the French language. In review of Movenpick's evidence of use by third parties the Court noted it was vague and unsatisfactory.

The Court concluded that there was nothing in the new evidence that would have persuaded the Registrar to change her mind. The term "marche express" is not clearly descriptive of the services as applied for by Esso.

Confusion:

The purpose of a confusion objection is to prevent confusion in the marketplace. It is established that the test for confusion is a matter of first impression in the mind of a casual consumer somewhat in a hurry. All surrounding circumstances must be taken into consideration when assessing confusion between marks including inherent distinctiveness, length of time in use, the nature of the wares, services and trade and degree of resemblance visually, phonetically and in suggested meaning.

Based on the evidence before her, the Registrar found that Esso's mark had some acquired distinctiveness in the Canadian marketplace while she was unable to determine the extent to which Movenpick's mark had become known. In assessing the length of time the marks were in use, the Registrar found that despite the date of Movenpick's registration being May 1992, it failed to provide evidence of actual use or inference of continued use, while Esso established its use as of July 2001. In turning to the nature of the services and trade, it was the Registrar's thought that it is unlikely that the parties' trades would overlap, however, she did note that Movenpick's registration was not limited as such that would prevent it from operating fast-food restaurants at gasoline stations. Finally, in her review of the degree of resemblance between the marks, the Registrar was satisfied that the word "express" differentiated the marks when sounded and in ideas suggested by them.

The new evidence before the Court relevant to confusion was Movenpick's evidence establishing the extent to which its mark has become known in Canada. The Court held that the evidence was insufficient to overcome the extent to which Esso's MARCH EXPRESS trade-mark has become known.

The Court noted that the Registrar's decision, whose daily task involves determining confusion, should be given great weight. It then concluded that the new evidence

before it would not have changed the Registrar's decision and found that there is no likelihood of confusion between the marks.

Through its objections to the Esso trade-mark MARCHE EXPRESS, it was established that Movenpick's mark MARCHE is a commonly used term in the food industry and as such its registration rights were awarded a narrow ambit of protection in the marketplace.

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