

Federal Court



Cour fédérale

Date: 20220620

Docket: T-1384-21

Citation: 2022 FC 926

Ottawa, Ontario, June 20, 2022

PRESENT: Mr. Justice McHaffie

BETWEEN:

MONDO FOODS CO. LTD.

Applicant

and

**LES INDUSTRIES TORRÉMONDE INC. /
TORREMONDO INDUSTRIES INC.**

Respondent

JUDGMENT AND REASONS


I. Overview

[1] In this unopposed application, Mondo Foods Co Ltd seeks to enforce its MONDO and MONDO-formative trademarks against Les Industries Torr monde Inc/TorreMondo Industries Inc, which has adopted the trademark TORREMONDO in word and design form. For the following reasons, and in the absence of any evidence or submissions from Torr monde, the application is allowed.

II. The Trademarks at Issue

[2] Mondo Foods is a Winnipeg-based importer and distributor of food and beverage products that has been in business since 1975. It owns the following Canadian trademark registrations:

Trademark	Reg. No.	Reg. Date	Goods/Services
MONDO	TMA996,083	7/05/2018	<u>Goods:</u> (1) Brewed coffee. (2) Meat products, namely fresh sausages, dry cured pizza pepperoni.
MONDO	TMA766,777	13/05/2010	<u>Goods:</u> Ice cream and gelato.
MONDO	TMA466,497	27/11/1996	<u>Goods:</u> (1) Food products, canned and/or otherwise, namely, fruits and vegetables, namely, tomatoes, tomato puree/sauce, tomato paste and olives. (2) Vegetable oils, dried pasta and cheeses. (3) Flour. (4) Alcohol-based food flavourings/extracts. (5) Olive oil, canned fruits.
MONDO	TMA317,799	29/08/1986	<u>Goods:</u> (1) Canned goods, namely tomatoes, tomato sauce, tomato paste and olives. (2) Canned beans, canned pineapple, canned artichoke paste, vegetable oil, olive oil, fruit nectars and juices, and dried pasta.
MONDO FOODS	TMA452,101	22/12/1995	<u>Goods:</u> (1) Fruits juices. (2) Candies.
BEL' MONDO	TMA462,081	30/08/1996	<u>Goods:</u> (1) Food products, canned and/or otherwise, namely, vegetables, namely, tomatoes and fruits, namely pineapples; olive oil. (2) Anchovies and vegetable oils.
BEL' MONDO	TMA318,653	19/09/1986	<u>Goods:</u> Canned goods, namely tomatoes, tomato sauce, tomato paste, pineapple, olives, beans, and artichoke paste; vegetable oil and olive oil; fruit nectars and juices; and dried pasta.

Trademark	Reg. No.	Reg. Date	Goods/Services
 <p>MONDO FOODS COMPANY LTD. Design</p> <p><i>[Image described below.]</i></p>	TMA490,664	02/03/1998	<p><u>Goods:</u> Flour, wine grapes and canola oil sold at wholesale.</p> <p><u>Services:</u> Importing, packaging and distributing foods and beverages</p>

Description of image: The word MONDO appears in front of a “globe” motif of overlapping ovals, and above a banner motif bearing the words FOODS COMPANY LTD. The words are flanked by a laurel wreath design.

[3] Mondo Foods asserts its registered and unregistered rights in these trademarks. It objects to Torr Monde’s use of the trademark TORREMONDO, both in word form and in the following design, which I will refer to as the TORREMONDO & Design trademark:



Description of image: A rectangle surrounds the word TORRE appearing above the word MONDO. The second O in the word MONDO is represented by a coffee bean motif. A coffee bean motif also appears twice on the top border of the rectangle and once on the bottom border. The bottom border of the rectangle has a gap and a short green line appears below the gap.

[4] Torr Monde applied for registration of the TORREMONDO & Design trademark in March 2019. The information on record indicates this application has been formalized but has not yet been examined. The applicant on the application is “Martin Hegyesy Les Industries Torr Monde inc. / TorreMondo Industries inc.” It appears Mr. Hegyesy is a principal of Torr Monde.

[5] Tom De Nardi, the President of Mondo Foods, who swore an affidavit in support of Mondo Foods' application, said he became aware of Torr Monde's website at *torremondo.com* in August 2019. The screenshots of that website exhibited to Mr. De Nardi's affidavit show that Torr Monde offers home delivery of roasted coffee beans in association with the TORREMONDO and TORREMONDO & Design trademarks. The website also advertises a beer product called "Torremondo Coffee stout." This appears to be brewed by a third party brewer and made with Torr Monde's coffee. It is said to be available at 135 outlets across Quebec. Torr Monde's trademark application states it has also used the trademark in association with *caf s-restaurants* (coffee shops), but there is no direct evidence of this or of Torr Monde operating a physical retail location.

III. Issues

[6] The issues on this application are the following:

- A. Has Mondo Foods established a violation of its trademark rights by Torr Monde, and in particular:
 - (1) infringement under sections 19 or 20 of the *Trademarks Act*, RSC 1985, c T-13;
 - (2) passing off under paragraph 7(b) of the *Trademarks Act*; and/or
 - (3) a likely depreciation of goodwill under section 22 of the *Trademarks Act*?
- B. If so, what remedies are appropriate?

[7] Although Torr Monde has not responded to this application, the onus remains on Mondo Foods to establish its causes of action on a balance of probabilities.

IV. Analysis

A. *Mondo Foods has Established a Violation of its Trademark Rights*

(1) Infringement

(a) *Principles*

[8] Registration of a trademark under the *Trademarks Act* gives the owner the exclusive right to use the mark throughout Canada in respect of the goods and services in the registration:

Trademarks Act, s 19. This right is deemed to be infringed by the sale, distribution, or advertisement of goods or services in association with a confusing trademark: *Trademarks Act*, s 20(1)(a). A trademark is confusing with another trademark if use of both trademarks in the same area “would be likely to lead to the inference that the goods or services associated with those trademarks are manufactured, sold, leased, hired or performed by the same person,” whether or not they are of the same general class or Nice Classification class: *Trademarks Act*, ss 2 (“confusing”), 6(1)–(2).

[9] This statutory test for confusion is applied as a matter of “first impression in the mind of a casual consumer somewhat in a hurry,” who sees the impugned trademark at a time when they have “no more than an imperfect recollection” of the registered mark and without giving the matter “detailed consideration or scrutiny”: *Veuve Clicquot Ponsardin v Boutiques Cliquot Ltée*, 2006 SCC 23 at paras 18–20. In assessing confusion, the Court considers all of the surrounding circumstances, including but not limited to those listed in subsection 6(5) of the *Trademarks Act*: inherent distinctiveness and the extent to which the marks have become known; the length of

time the trademarks have been in use; the nature of the goods, services, business, and trade; and the degree of resemblance between the trademarks. Of these, the degree of resemblance is “often likely to have the greatest effect on the confusion analysis,” but the weight to be given to each factor will depend on the circumstances: *Masterpiece Inc v Alavida Lifestyles Inc*, 2011 SCC 27 at para 49; *Veuve Clicquot* at para 21.

[10] Where a registrant owns a series of marks all having the same features, the existence of this “family” of trademarks may attract a broader scope of protection in respect of the common elements and may be a relevant “surrounding circumstance” in the confusion analysis: *Arterra Wines Canada, Inc v Diageo North America, Inc*, 2020 FC 508 at para 41. Nonetheless, while some relevant factors may be the same for more than one trademark, the confusion analysis must be undertaken for a trademark separately and not as a composite or collective analysis: *Masterpiece* at paras 42–48.

(b) *Confusion*

[11] Of the marks set out in paragraph [2] above, Mondo Foods relies principally on its four trademark registrations for the word mark MONDO. Of these, Registration No. TMA996,083 [the '083 Registration] was registered in May 2018 and includes the good *brewed coffee*, with respect to which it claims use since at least June 2011. Registration No. TMA317,799 for MONDO [the '799 Registration] is registered in association with less similar food goods, but has been registered for longer, having been registered since 1986. In my view, comparing the TORREMONDO marks to these two trademark registrations is decisive, in that if TORREMONDO is confusing with either of them, the analysis need not proceed further, while if

it is not, then it will not be confusing with any of Mondo Foods' other registered marks. I will therefore undertake the confusion analysis in respect of these two trademarks: *Masterpiece* at para 61. I note that Mondo Foods, rightly in my view, does not invoke either the "BEL' " element of the BEL' MONDO trademark or any of the design elements in the MONDO FOODS COMPANY LTD. Design mark as increasing the likelihood of confusion with either the TORREMONDO or TORREMONDO & Design trademarks.

(i) Degree of resemblance

[12] The degree of resemblance between trademarks includes consideration of their appearance, sound, or in the ideas suggested by them: *Trademarks Act*, s 6(5)(e). The resemblance of trademarks is to be assessed as a whole, but includes consideration of constituent elements, including the "particularly striking or unique" aspects of the trademark: *Masterpiece* at para 64.

[13] In the present case, Torr eMonde's impugned TORREMONDO trademarks incorporate the word MONDO which comprises the whole of the trademark in the '083 Registration and the '799 Registration. They also include the additional TORRE element, which is not seen in Mondo Foods' MONDO marks.

[14] Mondo Foods, not surprisingly, puts significant emphasis on the MONDO element, suggesting it is the most striking element of Torr eMonde's trademarks. It underscores that the first element of a mark, while important, is not always the most important or striking: *Masterpiece* at paras 63–64, citing *Conde Nast Publications Inc v Union des  ditions modernes*

(1979), 46 CPR (2d) 183 (FCTD) at p 188. Mondo Foods cites a number of decisions in which the Trademarks Opposition Board (TMOB) found resemblance and confusion between marks that have an identical second part, despite differences in the first part of the mark, or between marks in which the impugned marks had additional elements not in the registered mark: *Advance Magazine Publishers Inc v MacRae*, 2016 TMOB 27 at paras 43–44 (INVOGUE DESIGNER vs TEEN VOGUE); *Unilever Canada Inc v Rain Shields*, 2019 TMOB 32 at para 44 (STARSICLES vs POPSICLE, CREAMSICLE, and FUDGSICLE); *Heather Ruth McDowell v Derma Sciences, Inc*, 2020 TMOB 55 at paras 55–57 (MEDIHONEY vs HONEY); *Origins Natural Resources Inc v Laboratoires Contapharm*, 2014 TMOB 183 at paras 37–39 (NATORIGIN vs ORIGINS); *Tradall SA v Sociedad Agricola Santa Teresa Ltda*, 2008 CanLII 88436 (CA TMOB) (DE MARTINO vs MARTINI).

[15] While the second part of a mark can certainly be the most striking part of a mark, I cannot agree with Mondo Foods that the MONDO element is the most striking element of Torr eMonde’s marks. Rather, the TORRE and MONDO elements appear roughly equally striking, with some importance due to the TORRE element as the first part of the TORREMONDO marks. The TORRE element serves as a point of distinction and reduces the degree of resemblance between the TORREMONDO marks and Mondo Foods’ marks. I therefore do not accept Mondo Foods’ submission that Torr eMonde’s marks are “virtually identical” to Mondo Foods’ marks. With respect to the TORREMONDO & Design trademark, the graphic elements serve to somewhat reduce the degree of resemblance to the MONDO trademarks, although the words TORRE and MONDO together remain the particularly striking

aspect of the mark. I agree with Mondo Foods that the TORREMONDO & Design trademark also accentuates the MONDO element by separating it from the TORRE element.

[16] Considering the degree of resemblance between the marks as a whole in light of the above, I conclude there is a moderate degree of similarity between each of the TORREMONDO marks and the MONDO trademarks seen in the '083 and '799 Registrations.

(ii) Inherent and acquired distinctiveness

[17] Mondo Foods asserts its marks are inherently distinctive of its goods and services because the word MONDO has no meaning in common parlance in English or French. It cites TMOB decisions in which Mondo Foods successfully opposed applications to register the trademarks MONDO GELATO and NUMONDO: *Mondo Foods Co Ltd v Mondo Gelato (Denman) Inc*, 2008 CanLII 88226 (CA TMOB); *Mondo Foods Co Ltd v Saverio Coppola*, 2011 TMOB 228. In the *Mondo Gelato* case, the TMOB stated as follows:

MONDO is an inherently distinctive mark with respect to the Opponent's wares since it has no meaning in common parlance with respect to the wares (see my discussion below under s. 6(5)(e) concerning ideas suggested by this word). [...]

[...]

I note that both parties agree that "mondo" is the Italian word for "world". However, there is no evidence that the average Canadian consumer would know this. The Applicant has asked me to take judicial notice that there are a substantial number of Italian speakers in Canada. The Opponent has objected to any such notice being taken and has referred me to the decision in *Krazy Glue, Inc. v. Grupo Cyanomex, S.A. de C.V.* (1992), 45 C.P.R. (3d) 161 (F.C.T.D.). In that case (which concerned the likelihood of confusion between KRAZY GLUE and its Spanish equivalent, COLA LOCA), there was evidence of the number of Spanish speakers in Canada (approximately 70,000). The Board hazarded

that less than 1% of the Canadian population understood Spanish and concluded that this did not represent a substantial portion of the Canadian population. The Court agreed and upheld the conclusion that the average Canadian consumer would find no degree of resemblance between the two marks. Although we are not dealing here with one mark being the foreign translation of the other, the concept of the average consumer does of course apply in assessing the likelihood of confusion. As there is no evidence that a substantial portion of the Canadian population understands Italian, and such an allegation is not something that I feel at liberty to take judicial notice of, I am addressing the issues before me on the assumption that the average Canadian does not understand MONDO to mean WORLD. However, even if the average Canadian were to associate the word “mondo” with “world” (either because of its meaning in Italian or because of its similarity to the French word “monde”), this would not change the outcome of my decision since “world” is not descriptive of the parties’ wares or services.

In its written argument, the Applicant refers to the definition for “mondo” that appears in the Canadian Oxford Dictionary. It reads:

mondo /'mondo:/ slang • **adj.** big, large, considerable (mondo waves). • **adv.** very, extremely (mondo cool)

This definition does not appear to relate to the wares and services of either party. Moreover, since it is a slang expression, I cannot tell to what extent the average Canadian would be familiar with this English meaning of the word “mondo”.

[Underline added; bold in original.]

[18] In the *Saverio Coppola* case, the TMOB reached similar findings on similar reasoning, including adopting the same language to describe their concern with judicial notice and descriptiveness.

[19] There is no question that MONDO is the Italian word for “world.” This appears in the '083 Registration itself, which includes a “Foreign Character Translation” stating that “The

translation provided by the applicant of the Italian word MONDO is WORLD.” It is confirmed in Mondo Foods’ evidence, where its “About Mondo Foods” web page begins with the words “Mondo Foods Co. Ltd. (literally translates as World Foods)...” [emphasis added]. I have less concern than the TMOB in recognizing that the average Canadian consumer would understand the word MONDO to mean or connote “world.” In my view, the issue is not the percentage of Canadians who speak or understand the Italian language as a whole, but simply whether the average Canadian consumer would recognize the word MONDO as meaning “world.” The commonality of the word, the prevalence of Italian as part of the Canadian linguistic landscape, and its similarity to the French word “*monde*” lead me to conclude that the average Canadian consumer would draw a connotation of the word “world” from the MONDO element in Mondo Foods’ trademarks.

[20] That said, I agree with the TMOB that MONDO, even with the translation or connotation of “world,” is not descriptive of Mondo Foods’ goods and services: see also *Mondo Foods Co Ltd v Les Distributions Mondoux Inc*, 2012 TMOB 155 at para 40. It is, however, to some degree suggestive of foods that are characteristic of, or have been imported from, other places in the world, including some of the goods in Mondo Foods’ registrations (*e.g., brewed coffee, dry cured pizza pepperoni, gelato, olives, canned pineapple, olive oil, dried pasta, anchovies*). Thus while I conclude the MONDO mark of the ’083 and ’799 Registrations has some inherent distinctiveness, I would not assign it the high degree of inherent distinctiveness that a coined word or a word wholly unrelated to the goods in the registrations would have.

[21] With respect to the TORREMONDO marks, the MONDO element would have the same connotations as that element found in Mondo Foods' MONDO marks. The TORRE element, used in association with coffee products, is again not descriptive but is suggestive, invoking a connotation of *torréfaction*, or roasting. Thus while TORREMONDO appears to be a coined portmanteau, its elements are suggestive of the products offered. This is underscored by the evidence from TorréMonde's website, which refers to "coffee beans from around the world," and the "world of coffee." The connotation is underscored by TorréMonde's trademark application, which states the trademark "is a reminder of the fact that coffee is consumed everywhere in the world and it comes from many places. TORREMONDO coffees are in fact a trip around the world" [my translation]. I therefore conclude the TORREMONDO word mark has some degree of inherent distinctiveness, but not a high degree. The TORREMONDO & Design trademark has a slightly higher degree of inherent distinctiveness given its additional distinctive design elements.

[22] In terms of acquired distinctiveness, I have no evidence of the extent to which the TORREMONDO trademarks have become known in Canada. On the other hand, Mondo Foods has established that it has used the MONDO trademark for over 40 years, in association with both the importation and distribution of food and beverage products (including third-party branded products) to retail food/beverage and grocery stores, distributors, and restaurants, and through the sale of its own MONDO and BEL' MONDO branded products. Mondo Foods has grown from having approximately 500 customers in 1992 to approximately 700 customers currently. Sales to these customers include annual sales of MONDO and BEL' MONDO branded goods growing from \$1 million in the 1990–1991 fiscal year to over \$2.5 million since 2016–

2017, with 95% of these sales associated with the MONDO trademark. Annual sales of its Mondo Foods importation and distribution services have similarly grown from over \$10 million since 1990–1991 to over \$18 million since 2016–2017. Mr. De Nardi also provides evidence of Mondo Foods’ advertising and promotional efforts, including through trade shows, price lists and leaflets distributed to existing and potential customers.

[23] With respect to coffee in particular, Mondo Foods has used the trademark MONDO in association with brewed coffee since 2011, with annual sales through a licensee of \$42,000 in 2019 and \$32,000 in 2020. Mr. De Nardi also reports that Mondo Foods has sold third party-sourced coffee beans and ground coffee, with annual sales in the range of \$20,000. Coffee beans and ground coffee are not goods identified in Mondo Foods’ trademark registrations, although their importation and packaging and distribution would fall within the services identified in the MONDO FOODS COMPANY LTD Design trademark.

[24] Based on the foregoing evidence, I am satisfied that the MONDO trademark has become known in Canada in a manner to increase the distinctiveness of the mark and afford it additional protection. While the use of the MONDO mark in association with brewed coffee in particular is less extensive, it has still been in use for over a decade, and the broader reputation of the MONDO trademark would act to increase the distinctiveness of the MONDO mark when used in association with brewed coffee.

(iii) Nature of the goods, business, and trade

[25] On the evidence before me, Torr Monde uses its trademarks in association with the online sale of coffee beans, and the retail sale of coffee-flavoured beer through third-party vendors. Both coffee beans and coffee-flavoured beer are very similar in nature to the *brewed coffee* in the '083 Registration. While the beer product is an alcoholic beverage, it is also a coffee-flavoured beverage with similarities to brewed coffee. Torr Monde's goods are less similar to the other food goods in the '083 and '799 Registrations. Although Torr Monde's goods and Mondo Foods' goods are both generally in the "food and beverage" category, there is a risk that defining all foods as being in the same general class may result in a finding of confusion where there is no reasonable likelihood of such confusion in the mind of consumers: *Vachon Bakery Inc v Racioppo*, 2021 FC 308 at paras 79–81, citing *Clorox Co v Sears Canada Inc*, [1992] 2 FC 579 at pp 589–590.

[26] There are differences between the general businesses and trade of Mondo Foods and Torr Monde but there is also overlap. Mondo Foods appears to conduct most of its business by selling at the wholesale level to food and beverage retailers and restaurants. At the same time, screenshots from Mondo Foods' website shows that customers have the ability to order online, although Mr. De Nardi does not provide a breakdown of the extent of online sales. While most of Mondo Foods' business appears to be at the wholesale level, Mr. De Nardi's supplemental affidavit confirms that its sales of brewed coffee occur at the retail level at a retail food store and restaurant operated by a licensee. Torr Monde apparently sells its coffee online and its coffee stout is available in retail locations. As noted above, it may also be using the TORREMONDO

trademarks in association with coffee shops, based on the claimed use in its trademark application. In addition to the parties' current actual use, as Mondo Foods points out, its registration gives it the exclusive right to use its mark in association with the goods listed in its registrations through any channel of trade: *Mr Submarine Ltd v Amandista Investments Ltd*, [1988] 3 FC 91 at pp 102–103.

(iv) Length of use

[27] Mondo Foods has been using the MONDO trademark in association with certain food products for over 40 years, and in association with the goods *brewed coffee* since June 2011. Mr. De Nardi says he became aware of Torr Monde's website in 2019. Torr Monde's trademark application claims it has used the TORREMONDO trademark since November 2014 in association with various coffee goods, but there is no evidence to establish this date of first use. Either way, Mondo Foods' use of MONDO predates Torr Monde's use of TORREMONDO by a number of years in respect of the *brewed coffee* identified in the '083 Registration and by many decades in respect of the goods listed in the '799 Registration.

(v) Other surrounding circumstances

[28] Mondo Foods points to two surrounding circumstances as expanding the scope of protection to which its MONDO marks are entitled. First, it says that its MONDO, BEL' MONDO, MONDO FOODS and MONDO FOODS COMPANY LTD Design trademarks constitute a "family" of trademarks. I am satisfied that Mondo Foods has provided evidence of its use of a family of MONDO-formative marks that broaden to some degree the scope of

protection given to the MONDO element in the marks, and in particular the MONDO trademark of the '083 and '799 Registrations: *Arterra Wines* at para 41.

[29] Second, Mondo Foods points to its efforts to enforce its MONDO-formative marks and thereby limit the number of trademarks in the marketplace and on the register using the word MONDO in association with food products. In addition to the *Mondo Gelato* and *Saverio Coppola* oppositions referred to above, Mondo Foods refers to successful enforcement efforts over the past 20 years, through trademark oppositions, expungement proceedings, demand letters, and litigation in respect of marks such as OSCAR MONDO, MONDO PIZZA, VANILLA AL'MONDO, MONDOUX, UN MONDO, MONDO CAFÉ, MONDO BURRITO, MONDO GELATO CAFFÉ, MONDO SALAMI, PASTA MONDO.

[30] While Mondo Foods' evidence shows it has been active in protecting its mark, I conclude that I cannot draw much from these enforcement efforts other than those resulting in substantive decisions from the TMOB, since Mondo Foods has put forward no evidence to show the current or resulting state of either the marketplace or the register as it relates to the use of the word MONDO in association with food or beverage products. A trademark may be considered weaker and given narrower protection if it bears the same common element as numerous marks in the marketplace, such that a consumer would be more attuned to smaller differences between the marks: *Kellogg Salada Canada Inc v Canada (Registrar of Trade Marks)*, [1992] 3 FC 442 at pp 456–457. In the present case, there is no evidence as to the state of the marketplace to support a narrower scope of protection. Conversely, there is also no evidence to show whether

Mondo Foods' enforcement efforts have resulted in a marketplace in which MONDO is rarely used, or whether these enforcement efforts are simply a drop in a crowded bucket.

(vi) Conclusion on confusion

[31] Considering the foregoing factors, I conclude that Torr Monde's use of the trademarks TORREMONDO and TORREMONDO & Design in association with the sale of coffee and coffee-related products including coffee-flavoured beers is likely to cause confusion with Mondo Foods' MONDO trademark as registered in the '083 Registration and the '799 Registration.

[32] With respect to the '083 Registration, the scope of protection to which the MONDO trademark is entitled, the similarity between the marks in the use of the MONDO element, the direct similarity between Torr Monde's goods and the *brewed coffee* listed in the '083 Registration, the overlap and potential overlap in the channels of trade, and Mondo Foods' prior use of the mark by several years means that a casual consumer seeing the TORREMONDO trademarks at a time when they have an imperfect recollection of the MONDO trademark, and without giving the matter detailed consideration or scrutiny, would likely infer that the goods associated with the trademarks were sold by the same person. I reach the same conclusion with respect to both the word mark TORREMONDO and the TORREMONDO Design trademark despite the distinguishing elements found in the design, since the word elements remain the most striking components of the design and the design elements would not serve to alleviate the likely confusion arising from the resemblance between the word elements and the '083 Registration.

[33] With respect to the '799 Registration, the goods at issue are not as similar, although they remain food and beverage products. Conversely, the MONDO trademark has been used in association with these goods for a much longer period and has thereby acquired a greater distinctiveness in association with those goods. Considering these, and the other factors of resemblance between the marks and channels of trade that are the same as for the '083 Registration, I reach the same conclusion that a casual consumer seeing the TORREMONDO trademarks at a time when they have an imperfect recollection of the MONDO trademark, and without giving the matter detailed consideration or scrutiny, would likely infer that the goods associated with the trademarks were sold by the same person.

[34] I therefore conclude that Torr Monde's use of the TORREMONDO trademarks infringes the exclusive rights of Mondo Foods to the MONDO trademark conferred by the '083 and '799 Registrations. Having reached this conclusion, I need not address the other trademarks asserted by Mondo Foods.

(2) Passing Off

[35] Mondo Foods also asserts that Torr Monde's use of the TORREMONDO trademarks constitutes passing off contrary to paragraph 7(b) of the *Trademarks Act*. Paragraph 7(b) prohibits a person from directing public attention to their goods, services, or business in a manner likely to cause confusion between them and the goods, services, or business of another. It is accepted as a codification of the common law tort of passing off: *Kirkbi AG v Ritvik Holdings Inc*, 2005 SCC 65 at para 23.

[36] To show passing off, Mondo Foods must demonstrate (a) the existence of goodwill; (b) a deception of the public due to a misrepresentation; and (c) actual or potential damage: *Ciba-Geigy Canada Ltd v Apotex Inc*, [1992] 3 SCR 120 at p 132; *Kirkbi* at paras 66–68. It must also show the existence of a valid and enforceable trademark, whether registered or unregistered: *Sandhu Singh Hamdard Trust v Navsun Holdings Ltd*, 2019 FCA 295 at para 39 [*Hamdard Trust (2019)*].

[37] Based on the evidence described above, I am satisfied that Mondo Foods has demonstrated that it has valid and enforceable trademark rights in the MONDO trademark, and that it has developed goodwill in that trademark. In this regard, factors such as the inherent and acquired distinctiveness of the mark, length of use, sales volumes, and advertising are relevant to the existence of goodwill, with the ultimate question being whether the mark is distinctive and possesses reputation: *Hamdard Trust (2019)* at para 48. The evidence described above with respect to these issues is sufficient to demonstrate the existence of goodwill developed through extensive sales and advertising over the course of 40 years.

[38] The misrepresentation that Mondo Foods relies on is Torr Monde’s use of a confusing trademark. The confusion analysis in this regard essentially parallels that set out above and need not be repeated. As an additional factor, Mondo Foods relies on its sales of coffee beans in association with the MONDO trademark, a good that is not listed in its trademark registrations. The direct overlap between these goods and those offered by Torr Monde increases the likelihood of confusion and reinforces the findings above. I am therefore satisfied that Mondo Foods has established a misrepresentation through the use of a confusing trademark.

[39] With respect to the damages element, Mondo Foods does not allege any specific lost sales or profits to Torr Monde. However, the requirement to show damages in passing off “can be established through proof of a loss of control over reputation, image or goodwill”: *Sadhu Singh Hamdard Trust v Navsun Holdings Ltd*, 2016 FCA 69 at para 31. In the present case, Mondo Foods has not put forward specific evidence regarding the loss of control over its reputation or goodwill. Nonetheless, Torr Monde is offering coffee and coffee-related products in association with a confusing trademark, which will have an adverse impact on the goodwill associated with the trademark. I am satisfied that this is sufficient in the present circumstances to meet the third requirement of a passing off claim, despite the difficulty in quantifying those damages, which I address below.

[40] I therefore conclude that, for reasons largely similar to those pertaining to infringement, Torr Monde’s use of the TORREMONDO and TORREMONDO & Design trademarks constitutes passing off contrary to paragraph 7(b) of the *Trademarks Act*.

(3) Depreciation of Goodwill

[41] In light of the foregoing findings, I need not address Mondo Foods’ allegations that Torr Monde’s use of the TORREMONDO trademarks depreciates the goodwill in its registered trademarks contrary to section 22 of the *Trademarks Act*.

B. *Remedies*

(1) Declaration, Injunction, and Delivery Up

[42] Torr Monde apparently refused to comply with Mondo Foods' written demands to cease using the TORREMONDO trademarks, although the contents of that exchange of correspondence were not included in Mondo Foods' evidentiary record. Torr Monde did not respond to this application and has apparently not ceased using the TORREMONDO marks. I conclude Mondo Foods is entitled to the declaratory relief and permanent injunction it seeks, prohibiting Torr Monde from violating its trademarks.

[43] Mondo Foods is also entitled to an order requiring delivery up or destruction of infringing goods, packaging, labels, and advertising material, including website usage. This order does not preclude Torr Monde from repackaging or relabelling products such as coffee before sale, *i.e.*, it is not required to deliver up to Mondo Foods all coffee that is currently contained in packages bearing a TORREMONDO trademark. It is simply required to deliver up or destroy the packages themselves and not to sell the coffee in packages marked with the TORREMONDO trademarks.

(2) Damages

[44] The onus remains on an applicant, even in default proceedings, to prove its damages for trademark infringement or passing off: *Biofert Manufacturing Inc v Agrisol Manufacturing Inc*, 2020 FC 379 at para 208. At the same time, in default proceedings, this Court has been willing to make an award based on a best estimate of general damages where an absent or uncooperative

respondent makes proof or quantification of actual damages difficult: *Clearview Plumbing & Heatings Ltd v Clockwork IP, LLC*, 2018 FC 169 at para 50; *Pick v 1180475 Alberta Ltd (Queen of Tarts)*, 2011 FC 1008 at para 51; *Teavana Corporation v Teayama Inc*, 2014 FC 372 at paras 39–41. In *Biofert*, Justice McVeigh summarized cases from this Court in which a “global, arbitrary value” had been determined for compensatory damages in the absence of evidence of a particular quantum of losses: *Biofert* at paras 208–209, Annex B(1).

[45] Mondo Foods refers to the scale of damages that have been applied by this Court in counterfeit cases, adjusted for inflation, in support of its claim for damages in the amount of \$14,500: *Harley-Davidson Motor Company Group, LLC v Manoukian*, 2013 FC 193 at para 40. In my view, cases involving counterfeit goods have little applicability to the present case, which involves an apparently legitimate business selling goods in association with a trademark that the Court has determined to be confusingly similar to Mondo Foods’ trademarks.

[46] In the present case, I consider the following factors as relevant to the assessment of damages: the nature of Torr Monde’s current business and that of Mondo Foods, which focuses on the wholesale market; Mondo Foods’ limited sales of coffee products, which limits the extent of estimable damages from the sale of coffee in association with an infringing mark; the apparent extent of sales by Torr Monde given its assertion that its stout product is available in 135 outlets across Quebec; the length of its use of the mark; and the failure to respond to this litigation and thereby provide information relevant to the assessment of damages. On balance, I conclude an award of \$13,000 is a reasonable estimate of Mondo Foods’ proved damages in the application.

[47] Mondo Foods requests pre-judgment interest and post-judgment interest, both compounded annually. I am not satisfied that pre-judgment interest should be applied, as the Court's estimate of damages is a general one that takes into account the length of use of the mark, rather than being tied to a particular time at which the damage was suffered. Nor do I consider this is an appropriate case for compound interest, despite recognizing the Court's discretion to make such an award. I will award simple interest at 5% per annum.

[48] Mondo Foods' notice of application requested exemplary or punitive damages, but it did not pursue this request at the hearing of this application.

(3) Costs

[49] Mondo Foods requests its full costs of these proceedings, in the inclusive amount of \$29,143. It has provided a bill of costs in support of its claim. I agree that Mondo Foods is entitled to its costs as the successful party on this application. In the circumstances, considering the factors set out in Rule 400(3) of the *Federal Courts Rules*, SOR/98-106 and the fact that Mondo Foods was put to the commencement and completion of this proceeding by Torr eMonde's failure to comply with its earlier demands or respond to the application, I am satisfied that Mondo Foods should receive its full costs in the amount requested.

JUDGMENT IN T-1384-21

THIS COURT'S JUDGMENT is that

1. The Court declares that Les Industries Torr Monde Inc/TorreMondo Industries Inc has, through its adoption and use of the trademarks TORREMONDO and TORREMONDO & Design:
 - a. infringed the trademark rights of Mondo Foods Co Ltd in Canadian registered trademarks TMA996,083 and TMA317,799, contrary to section 20 of the *Trademarks Act*; and
 - b. directed public attention to its goods, services or business in such a way as to cause or be likely to cause confusion in Canada between its goods, services or business and the goods, services or business of Mondo Foods Co Ltd, contrary to paragraph 7(b) of the *Trademarks Act*.
2. Les Industries Torr Monde Inc/TorreMondo Industries Inc, its officers, directors, shareholders, agents, servants, employees, successors, or assigns, are hereby permanently enjoined from directly or indirectly:
 - a. selling, distributing, advertising, or otherwise dealing in goods or services in association with the trademark TORREMONDO or TORREMONDO & Design; and/or
 - b. directing public attention to its goods, services or business in such a way as to cause or be likely to cause confusion in Canada between its goods, services or business and the goods, services or business of Mondo Foods Co Ltd, including through the use of the trademark TORREMONDO or TORREMONDO & Design.

3. Les Industries Torr Monde Inc/TorreMondo Industries Inc shall, at its own expense and within ten business days of the date this judgment is served upon it, deliver up or destroy under oath any materials, including but not limited to, brochures, flyers, labels, stickers, tags, bags, boxes, business cards, stationery, signage, packaging materials, Internet websites, advertising and sales materials in its possession, power or control the use of which would offend the injunctions granted herein.
4. Les Industries Torr Monde Inc/TorreMondo Industries Inc shall pay to Mondo Foods Co Ltd forthwith damages in the amount of \$13,000.
5. Mondo Foods Co Ltd is awarded its costs of this application fixed in the inclusive amount of \$29,143 and payable forthwith by Les Industries Torr Monde Inc/TorreMondo Industries Inc.
6. All amounts payable under this judgment shall bear post-judgment simple interest at a rate of 5% per year from the date of this judgment.

“Nicholas McHaffie”

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1384-21

STYLE OF CAUSE: MONDO FOODS CO LTD v LES INDUSTRIES
TORRÉMONDE INC / TORREMONDO INDUSTRIES
INC

PLACE OF HEARING: HELD BY VIDEOCONFERENCE

DATE OF HEARING: MARCH 2, 2022

JUDGMENT AND REASONS: MCHAFFIE J.

DATED: JUNE 20, 2022

APPEARANCES:

Abbas A. Kassam

FOR THE APPLICANT

SOLICITORS OF RECORD:

Ridout & Maybee LLP
Barristers and Solicitors
Toronto, Ontario

FOR THE APPLICANT