

Federal Court



Cour fédérale

Date: 20111223

Docket: T-1738-10

Citation: 2011 FC 1517

Ottawa, Ontario, December 23, 2011

PRESENT: The Honourable Madam Justice Simpson

BETWEEN:

MALENA PRODUCE, INC.

Applicant

and

**AGRICOLA SAN ISIDRO DE CULIACAN,
S.P.R. DE R.L.**

Respondent

REASONS FOR JUDGMENT AND JUDGMENT

[1] On October 25, 2010, Malena Produce, Inc. [the Applicant] applied, pursuant to subsection 57(1) of the *Trade-marks Act*, RSC 1985, c T-13 [the Act] for an order expunging the following respondent's trademarks [together the Respondent's Marks]:

- (a) Canadian Trade-mark Registration No. TMA651,545 for the trademark
MALENA which was applied for on August 27, 2003 claiming use in Canada

since January 1994, advertised on March 2, 2005 and registered on October 26, 2005 in association with:

- (i) Agricultural products, namely grains, seeds, live animals, fresh fruits, fresh vegetables, malt;
 - (ii) Horticultural products, namely plants, flowers, fresh fruits and fresh vegetables; and
 - (iii) Forestry products, namely natural seeds, plants, flowers and live animals
- (b) Canadian Trade-mark Registration No. TMA744,761 for the trademark MALENA BRAND which was applied for on March 7, 2007 claiming use in Canada since May 2004, advertised on October 15, 2008 and registered on August 6, 2009 in association with:
- (i) Meat, fish, poultry and game; Meat extracts; Preserved, dried and cooked fruits and vegetable, namely red pepper and eggplants, jellies, jams, compotes; Eggs, milk and milk products, namely milk candy; Edible oils and fat.

[2] The Applicant also sought a declaration that the Respondent's Marks are invalid pursuant to section 18 of the Act.

[3] The application was not opposed although the Respondent had been duly served.

THE PARTIES

[4] The Applicant is incorporated under the laws of Arizona. It purchases and distributes fresh produce grown in Mexico to wholesalers and retailers in the United States and Canada.

[5] The Respondent Agricola San Isidro de Culiacan, SPR de RL, and its predecessors Eduardo Leyson y Coproprietarios and Agricola San Isidro de Culiacan, SPR de RL (collectively ASI) were growers in Mexico who packed and sold fresh produce to the Applicant. From 1984 to 2001, ASI was the Applicant's sole supplier. In subsequent years, from 2001 to 2005, although the Applicant continued to deal with ASI, it also distributed produce supplied by other Mexican growers. After 2005, the Applicant no longer distributed any fresh produce grown by ASI.

THE EVIDENCE

[6] Mr. Gonzalo Avila has been the Applicant's Vice President and Business Manager since October 2002. He swore the affidavit in support of this application on November 24, 2010 (the Avila Affidavit).

[7] The Avila Affidavit shows that in 1956, Juan B. Stamatopulos [Juan B. Stamos] started selling and distributing eggplant and other produce under the trademark MALENA [the MALENA Trade-mark] in the United States. Juan B. Stamos owned, controlled and used the MALENA Trade-mark continuously for that purpose from 1956 to 1984.

[8] In 1984, Juan B. Stamos and his nephew John G. Stamos incorporated the Applicant under the laws of Arizona and Juan B. Stamos assigned all rights, title, interest, goodwill and reputation in the MALENA Trade-mark to the Applicant.

[9] Since 1984, the Applicant has continuously distributed, sold and marketed eggplants and other produce in association with the MALENA Trade-mark and the trade name Malena Produce [the Malena Produce Trade name] (together the Applicant's Marks) in Canada. Accordingly, as of the date of advertisement of the Respondent's Marks, the Applicant had not abandoned either the MALENA Trade-mark or the Malena Produce Trade name.

[10] The Avila Affidavit also shows that the Respondent has never used the Respondent's Marks in Canada and that, by reason of the Applicant's extensive use of the Applicant's Marks in Canada on stickers and packaging, and in advertising, the Applicant is, in the mind of Canadian consumers, the source of the produce sold in association with the Applicant's Marks.

CONCLUSIONS

[11] I am satisfied that the Applicant is a person interested pursuant to subsection 57(1) of the Act because the Respondent's Marks inhibit the registration of the Applicant's Marks in Canada.

[12] I am also satisfied that the Respondent's Marks do not accurately express or define the Respondent's existing rights because the Avila Affidavit shows that the Respondent has never used the Respondent's Marks in Canada.

[13] Lastly, I am satisfied that, in Canada, the Respondent's Marks do not actually distinguish the wares described in their registrations from the Applicant's wares.

JUDGMENT

THIS COURT'S JUDGMENT is that, for the reasons given above, the application is granted. Canadian Trade-mark Registration Nos. TMA651,545 and TMA744,761 are hereby expunged from the Register and declared invalid. The costs of this application, fixed in the amount of \$3665.00, are awarded to the Applicant.

“Sandra J. Simpson”

Judge

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: T-1738-10

STYLE OF CAUSE: Malena Produce, Inc. v Agricola San Isidro De Culiacan,
S.P.R. De R.L.

PLACE OF HEARING: Vancouver, British Columbia

DATE OF HEARING: April 19, 2011

REASONS FOR JUDGMENT: SIMPSON J.

DATED: December 23, 2011

APPEARANCES:

Karen F. MacDonald and
Jonas H. Gifford

FOR THE APPLICANT

No one appeared

FOR THE RESPONDENT

SOLICITORS OF RECORD:

Smart & Biggar
Vancouver, British Columbia

FOR THE APPLICANT

No one appeared

FOR THE RESPONDENT