



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2013 TMOB 208
Date of Decision: 2013-11-29

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Wishbuds Inc. against registration
No. TMA355,852 for the trade-mark BIOSOL in the
name of Sandoz GmbH**

[1] At the request of Wishbuds Inc. (the Requesting Party) the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on October 11, 2011 to Sandoz GmbH (the Registrant), the registered owner of registration No. TMA355,852 for the trade-mark BIOSOL (the Mark).

[2] The Mark is registered for use in association with the wares “natural manures”.

[3] Section 45 of the Act requires the registered owner of the trade-mark to show whether the trade-mark has been used in Canada in association with each of the wares and services specified in the registration at any time within the three year period immediately preceding the date of the notice and, if not, the date when it was last in use and the reason for the absence of such use since that date. In this case, the relevant period for showing use is between October 11, 2008 and October 11, 2011.

[4] In this case, the relevant definition of use is set out in section 4(1) of the Act:

4. (1) A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

[5] It is well established that mere assertions of use are not sufficient to demonstrate use in the context of a section 45 proceeding [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. Although the threshold for establishing use in these proceedings is quite low [*Woods Canada Ltd v Lang Michener et al* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co v Registrar of Trade Marks* (1982), 63 CPR (2d) 56 (FCTD)], sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the wares or services specified in the registration during the relevant period.

[6] In response to the Registrar's notice, the Registrant filed the affidavit of Michael Ammann, sworn May 7, 2012. Mr. Ammann is the Head of the Fertilizer Department for the Registrant. Both parties filed written arguments and an oral hearing was held at which only the Registrant was represented.

Preliminary Remark

[7] In coming to my decision I have considered all of the evidence and submissions made by the parties; however, only the portions of the evidence and submissions which are directly relevant to my findings will be discussed in the body of my decision.

Did the Registrant use the Mark in association with the wares during the relevant period?

[8] In his affidavit, Mr. Ammann explains the Registrant's normal course of trade. Specifically, Mr. Ammann states that the Registrant manufactures the wares in Austria, where the Mark is placed on the packaging of the wares. Mr. Ammann states that the wares are then shipped to the Registrant's US distributor Rocky Mountain Bio Products, a division of Bowman Construction Supply Inc. in Denver, Colorado. Mr. Ammann explains that Bowman advertises the wares in the US and Canada and distributes them to Canadian retailers, invoicing them directly. He states that sales from Bowman to the Canadian retailers (identified as Greenstar Plant Products in Langley, BC and Applied Geo-Environmental Solutions Inc. in Calgary, AB) amount to approximately 20 tons of the wares being sold per year.

[9] As proof of sales of the wares to Canadians during the relevant period, Mr. Ammann attaches to his affidavit a representative invoice that he states is for the sale of the wares from Bowman to a Canadian retailer (Exhibit C). The sample invoice is dated in the relevant period and it clearly displays the Mark.

[10] Mr. Ammann provides photographs of packaging which he states are representative of the wares as they were sold in Canada during the relevant period (Exhibit D). The packaging clearly displays the Mark.

[11] In its written argument, the Requesting Party makes a series of objections to the Registrant's evidence. Specifically, the Requesting Party submits that:

- (a) the evidence is deficient as Mr. Ammann has failed to provide invoices evidencing the transfer of the wares from the Registrant to Bowman;
- (b) Mr. Ammann's evidence regarding the actions of Bowman, including the sample invoice, constitute hearsay;
- (c) the evidence is not representative of packaging and promotional materials used in the Canadian marketplace; and
- (d) the representative packaging which displays text in English and German contravenes Canadian legislation dealing with fertilizers and thus could not have been used in the Canadian marketplace.

[12] With respect to the first objection, the Registrant submits, and I agree, that sales by a distributor are considered use of the trade-mark in Canada by the Registrant and a showing of a transaction between the registrant and distributor is not necessary, even when the distributor is located in the U.S. [see *Sim & McBurney v Anchor Brewing Co* (2003), 27 CPR (4th) 161 at 164-165)].

[13] With respect to the allegations of hearsay, while a strict approach to hearsay evidence may be appropriate where adversarial proceedings are intended to determine the rights of parties, the same is not true in section 45 proceedings [see *Eva Gabor International Ltd v 1459243 Ontario Inc* (2011), 90 CPR (4th) 277 (FC); *Renault v Comercializadora Eloro, SA* (2012), 104

CPR (4th) 210 at para 16]. On the contrary, a “relaxed” approach to hearsay is more consistent with the general principle that evidence in these proceedings is to be considered as a whole, rather than focusing on individual pieces of evidence [see *Kvas Miller Everitt v Compute (Bridgend) Ltd* (2005), 47 CPR (4th) 209].

[14] I find Mr. Ammann’s evidence regarding the activities of the Registrant’s distributor admissible as reliable and necessary. Firstly, I note that it is reasonable under the circumstances to infer that by virtue of Mr. Ammann’s position with the Registrant he would be knowledgeable about the Registrant’s activities pertaining to the sale and distribution of the wares around the world, including through Bowman to the Canadian retailers.

[15] Furthermore, to require a supplementary affidavit from a representative of Bowman would unnecessarily subject the Registrant to evidentiary overkill [see *Renault v Commercializadora*, *supra*, at para 18].

[16] With respect to the Requesting Party’s submission that the sample packaging and advertisements attached to Mr. Ammann’s affidavit appear not to have been for use in the Canadian marketplace, I note that Mr. Ammann makes the sworn statement that the packaging is “representative of the BIOSOL wares as they are sold in Canada, and were sold in Canada during the relevant period”. I have no reason to doubt Mr. Ammann’s sworn statements on this point. With respect to the sample promotional materials, I note that Mr. Ammann does not make the clear statement that these were distributed in the Canadian marketplace. However, advertising does not amount to use of a mark in association with wares in accordance with section 4(1) of the Act, and thus the fact that the promotional materials in evidence may not necessarily be representative of those used in Canada is of limited importance in any event.

[17] With respect to the Requesting Party’s submission that the packaging could not have been used in Canada as it contravenes Canadian legislation dealing with fertilizers, I agree with the Registrant that it is well-established that compliance with other Acts is not at issue in section 45 proceedings [see *Renault v Commercializadora*, *supra*, at para 19; *Blake Cassels & Graydon LLP v Country Fresh Enterprises Inc*, 2012 TMOB 2]. As stated in *Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD), a section 45 proceeding is not the correct forum for determining whether the registrant is in compliance with another piece of

legislation and in any event, such a determination is not immediately relevant to the question of use as defined by the Act.

[18] Based on all of the foregoing, I am satisfied that the Registrant has evidenced use of the Mark in Canada in association with the registered wares during the relevant period in accordance with sections 45(1) and 4(1) of the Act.

Disposition

[19] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with the provisions of section 45 of the Act, the registration will be maintained.

Andrea Flewelling
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office