

SECTION 45 PROCEEDINGS
TRADE-MARK: MULLER
REGISTRATION NO: TMA 356,039

At the request of GRAPH-HOLDING Ag, (the “requesting party”) the Registrar forwarded a notice under section 45 of the *Trade-marks Act* on October 30, 2003 to Newtec, Inc, the registered owner (at that time) of the above referenced trade-mark. On June 18, 2004 a series of assignment, merger and change of name documents were filed to update the owner information on the register; the current owner of record is now Illinois Tool Works, Inc., (the “registered owner”).

The trade-mark MULLER is registered for use in association with:

Machines pour l'emballage et le conditionnement; machines de palletisation et convoyage; machines d'étirage et pré-étirage; machines de manutention.

The English translation appearing in the December 21, 1998 issue of the Trade-marks Journal is:

Packaging and processing machines; palletizing and conveying machines; stretching and pre-stretching machines; merchandise handling machines.

Section 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13, 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/or services listed on 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 use since that date. In this case the relevant period for showing use is any time between October 30, 2000 and October 30, 2003.

Use in association with wares is set out in subsection 4(1) of the *Trade-marks Act*:

A trade-mark is deemed to have been 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.

Special provisions relating to the export of wares are contained in subsection 4(3) of the *Act* and do not apply in the present proceedings.

In response to the Registrar's notice, the registrant furnished the affidavit of Faruk Turfan Vice-President of ITW Canada Holdings Limited a wholly owned subsidiary of the registered owner Illinois Tool Works Inc. Both parties filed written submissions and an oral hearing was conducted.

The Evidence

The affidavit makes no assertion that the subject trade-mark was or is in use with respect to "merchandise handling machines" or "machines de manutention".

In paragraph 1, Mr. Turfan states that he has held the position of Vice President General Manager since about 1991, and that he has been employed with ITW Canada and its predecessor Muller Manufacturing Limited since about 1980. I note that Muller Manufacturing is the original registrant of the subject trade-mark. The affiant states that by virtue of his employment with ITW Canada and its predecessor (since about 1980), he is very familiar with the activities of ITW Canada, its predecessors, and ITW Canada's parent company Illinois Tool Works Inc. I note that Mr. Turfan has previously held positions of operations manager and customer service manager.

Mr. Turfan states that ITW Canada is a licensee of the subject trade-mark MULLER, and that MULLER is used and has been used at all times under strict quality control provisions regulated by Illinois Tool Works Inc.

Exhibit B is a brochure for the packaging and processing machines currently sold in Canada in association with the trade-mark MULLER. The wares depicted in the brochure

are clearly marked with the subject trade-mark, and Mr. Turfan states in paragraph 4 that when sold, the machines are marked with the trademark MULLER as shown in this brochure. Mr. Turfan states that the brochure is currently in use and has been in use since about 2002. Mr. Turfan explains that a “conveying machine” is a component of the packaging and processing machines, which can be sold separately as a part for those machines. Similarly, the affiant explains that a “pre-stretching machine” is a component of the packaging and processing machines, i.e. the film carriage for holding and dispensing film. He further states that at the time of sale of these components the subject trade-mark is on a nameplate attached to those machines.

In paragraph 5 Mr. Turfan attaches Exhibits C, D and E. C is a nameplate applied to the conveying machine when sold separately or as a component of the packaging and processing machines; D is a decal applied to the packaging and processing machines at the time of sale, and E is a similar decal applied to the pre-stretching machines at the time of sale.

Paragraph 6 attaches as Exhibit F the first five pages of a manual for packaging and processing machines. Similarly paragraph 7 attaches as Exhibit G a number of brochures for the packaging and processing machines, stretching and pre-stretching machines and conveying machines currently sold in Canada in association with the trade-mark MULLER by ITW Canada. I note that ITW appears clearly on the brochures, with a Canadian address, and that one brochure is dated in 2002 with a revision date of December 2003, and another is dated May 2003.

Attached as Exhibit H is a collection of brochures for the subject wares sold in Canada in association with trade-mark MULLER by a predecessor-in-title, Newtec, Inc. These brochures were distributed to customers of such wares sold in association with MULLER in the normal course of trade in about 1995. I note that this is outside the relevant period and therefore of little relevance.

Paragraph 9 states that the brochures of Exhibit B and E [sic] (should be F) are currently in use, and the brochures of Exhibits B, G and H are typical of brochures used for the MULLER packaging and processing machines, stretching and pre-stretching machines sold in Canada in the normal course of trade since about 1992. It appears from paragraph 10 that the said brochures regularly accompany the sale of the wares in the normal course of trade for the wares in Canada and are distributed at ITW Canada's office in connection with sales of the MULLER packaging and processing machines, conveying machines and pre-stretching machines.

Paragraph 11 states that sales in Canada by Illinois tools Works Inc., and its predecessors-in-title in respect of the aforementioned wares have been significant and continuous. Sales in each of the years, 2000, 2001, 2002 and 2003 have been in excess of \$10,000,000 per year. A breakdown of these figures is provided in paragraph 12, which states that 96% is attributable to packaging and processing machines; approximately 2% of these figures is attributable to pre-stretching machines and approximately 2% of these figures is attributable to conveying machines.

Discussion

The requesting party took the position that that no proof of actual sales was provided, that paragraphs 11 and 12 are bare allegations and furthermore that they are mere approximations. The requesting party further submitted that invoices are essential to show that there has been transfer of property or possession. I do not agree. The law is clear that bare allegations of use of the mark are conclusions of law which the affiant is not entitled to make, since to do so is to usurp the function of the Registrar or the court as the case may be (*Plough Canada Ltd. V. Aerosol Fillers Inc.*, 45 C.P.R. at 194 (FCTD) and 53 C.P.R. (2d) at 62 (FCA)). Statements of fact, however, are admissible as evidence (*Mantha & Associates v. Central Transport Inc.*, 64 C.P.R. (3d) at 354).

In the present case I do not think that invoices are essential to demonstrate a transfer of property, since enough facts are set out to enable the Registrar to infer that sales actually did occur in the normal course of trade (*Sim and McBurney V. Majdell Manufacturing*

Co. Limited (1986), 11 C.P.R. (3d) 307). As stated in *Lewis Thomson & Sons Ltd. v Rogers, Bereskin and Parr* (1988) 21 C.P.R. (3d) 483 (F.C.T.D.), there is no particular kind of evidence that must be provided in response to a Section 45 notice. What is required is that the registrant establish a *prima facie* case of use and that is all that is expected of him. In my view it is apparent from the evidence as a whole, including sales brochures and sales figures for the relevant period that sales actually did occur during the relevant period, including subsequent to ITW becoming a licensee. The evidence establishes continuous sales for a number of years and taking into consideration the existence of Exhibit G brochures, I am able to infer that such sales continued after ITW Canada became a licensee of the subject trade-mark.

The requesting party also argued that the brochures in themselves are not evidence of use since the appearance of the trade-mark in the brochures is not proof that the wares themselves were marked with the trade-mark. The trade-mark does not necessarily have to be marked on the wares or the packaging as long as at the time of transfer it is in any other manner associated with the wares such that notice the association is given to the purchaser (*Canadian Council of Professional Engineers v. Randolph Engineering Inc.*, (2001), 19 C.P.R. (4th) 259). However, I do agree with the requesting party that where there is no information as to whether the brochures were in use during the relevant period, or whether or not they accompanied the wares at the time of transfer, brochures are of little probative value as evidence of use. In the present case, however, they do lend support to the sworn statements of the affiant as to how the wares themselves were marked at the time of transfer. Furthermore, I note that in paragraph 10, Mr. Turfan states that Brochures B, G and H and similar brochures regularly accompany the sale of the wares.

In view of all of the above, I find that for the purposes of s.45, when the affidavit is taken as a whole, including the reference to sales figures during the relevant period, the description of the manner in which the wares were marked with the trade-mark at the time of transfer, and the clear indication of continuous sales, that there was use of the subject trade-mark within the meaning of s. 45 and ss. 4(1) of the *Act* on “Machines pour

l'emballage et le conditionnement; machines de palletisation et convoyage; machines d'étirage et pré-étirage" (Packaging and processing machines; palletizing and conveying machines; stretching and pre-stretching machines).

No use of MULLER has been demonstrated with respect to "merchandise handling machines" or "machines de manutention".

Accordingly, Registration TMA 356,039 for the trade-mark MULLER will be amended to delete "machines de manutention" in compliance with the provisions of Section 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13.

DATED AT GATINEAU, QUEBEC, THIS 1ST DAY OF NOVEMBER 2007.

P. Heidi Sprung
Member, Trade-marks Opposition Board