

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

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IN THE MATTER OF A SECTION 45 PROCEEDING requested by Norton Rose Canada LLP/S.E.N.C.R.L., s.r.l. against registration No. TMA696,295 for the trademark SÉLECTION Design in the name of The Reader's Digest Association, Inc.

[1] At the request of Norton Rose Canada LLP/S.E.N.C.R.L., s.r.l. (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 February 7, 2013 to The Reader's Digest Association, Inc. (the Owner), the registered owner of registration No. TMA696,295 for the trade-mark SÉLECTION Design as reproduced below:



[2] The Mark is registered for use in association with the following goods:

Monthly periodical publications, books, magazines, pre-recorded or blank compact discs, pre-recorded or blank audio cassette tapes, pre-recorded or blank video cassettes, pre-recorded or blank DVD's, pre-recorded or blank computer discs, CD-Roms and digital video discs containing software dedicated to navigating a global computer information network; pamphlets, newsletters and instruction manuals regarding information technology. (the Goods)

and the following services:

Mail order club dealing in sound recordings, compact discs, video cassettes and DVD's; information services, namely, providing pre-selected sites of interest,

entertainment, education and hobbies to users of global computer information network, namely the Internet; electronic services, namely, on-line services, namely, customer services and account inquiries, order and payment processing, on-line market research and surveys, sweepstakes and contests; electronic data and storage retrieval services, archival retrieval services; sale of goods and services through global commucation (sic) network, namely, the Internet; providing a website on global computer networks, namely, the Internet. (the Services)

[3] The notice required the Owner to furnish evidence showing that the Mark was in use in Canada, in association with each of the goods and services specified in the registration, at any time between February 7, 2010 and February 7, 2013 (the Relevant Period). If the Mark had not been so used, the Owner was required to furnish evidence providing the date when the Mark was last used and the reasons for the absence of use since that date.

[4] The relevant definitions of use with respect to goods and services are set out in sections 4(1) and (2) of the Act as follows:

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

(2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[5] It is well established that mere assertions of use are not sufficient to demonstrate use in the context of section 45 proceedings [*Plough (Canada) Ltd v Aerosol Fillers Inc*, (1980) 53 CPR (2d) 62 (FCA)]. Although the threshold for establishing use in these proceedings is low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co Ltd 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 goods and services specified in the registration during the relevant period [see *Uvex Toko Canada Ltd v Performance Apparel Corp* (2004), 31 CPR (4th) 270 (FCTD)].

[6] In response to the Registrar's notice, the Owner furnished the affidavit of Paul L. Gillow, the Owner's Vice President and Associate General Counsel, sworn on September 4, 2013. Both parties filed written representations; an oral hearing was not requested.

# Preliminary remarks

[7] As pointed out by the Requesting Party, Mr. Gillow has referred to the followings wares and services as the 'Products' in his affidavit:

**WARES:** Monthly periodical publications, books, special interest publications, magazines, newsletters, digital editions including pdfs and page-turners.

**SERVICES:** Information services, namely, providing pre-selected sites of interest, entertainment, education and hobbies to users of global computer information network, namely the Internet; electronic services, namely, on-line services, namely, customer services and account inquiries, order and payment processing, on-line market research and surveys and contests; electronic data and storage retrieval services, archival retrieval services; sale of goods and services through global commutation network, namely, the Internet; providing a website on global computer networks, namely, the Internet.

[8] It is obvious that the Products do not match the list of Goods and Services covered by registration TMA696,295. Any discrepancy between the latter and the former will be interpreted against the Owner [*Plough, supra*]. For instance, the following Goods and Services are not included in the Products:

Pre-recorded or blank compact discs, pre-recorded or blank audio cassette tapes, prerecorded or blank video cassettes, pre-recorded or blank DVD's, pre-recorded or blank computer discs, CD-Roms and digital video discs containing software dedicated to navigating a global computer information network; pamphlets, and instruction manuals regarding information technology (the missing goods);

Mail order club dealing in sound recordings, compact discs, video cassettes and DVD's; sweepstakes (the missing services).

[9] Moreover, the following goods mentioned in Mr. Gillow's affidavit are not part of the Goods:

special interest publications, digital editions including pdfs and page-turners (the additional goods)

[10] I agree with the Requesting Party that from the definitions used by Mr. Gillow and described above, that there is no evidence of use of the Mark in association with the missing goods and missing services, except for 'mail order club dealing in sound recordings, compact discs and DVD's; sweepstakes and contests' as will be explained later. Therefore the registration will be amended accordingly.

[11] Since the additional goods are not part of registration TMA696,295, any allegation or evidence of use concerning those goods contained in Mr. Gillow's affidavit will simply be disregarded.

#### The Owner's Evidence

[12] Mr. Gillow describes Exhibit A to his affidavit as samples of what he considers to be "monthly periodical publications, books, etc." that have been sold in Canada by the Owner during the Relevant Period. They all bear the Mark and a date within the Relevant Period. I consider them to be samples of monthly periodical publications and magazines.

[13] Also part of Exhibit A to Mr. Gillow's affidavit are samples of newsletters issued during the Relevant Period and bearing the Mark.

[14] Mr. Gillow's describes Exhibit B to his affidavit as ''examples or depictions of advertisements, website postings, etc. depicting the manner in which [the Mark] is displayed in association with the Services offered...in the performance and advertising of the Services during the [Relevant Period]''.

[15] Mr. Gillow's describes Exhibit C to his affidavit as copies of invoices showing sales in Canada of "the Products" bearing the Mark.

[16] Mr. Gillow describes Exhibit D to his affidavit as samples of packaging bearing the Mark which packaging contained "the Products" and all of which were sold in Canada during the Relevant Period. Mr. Gillow does not provide any more details about the content of Exhibit D. It consists of one advertising leaflet and 6 different types of envelopes, all sealed. Therefore, I had to open each one of them to review their content. Despite the different format of the envelopes

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their content is all related to the renewal of the subscription to the magazine bearing the Mark as well as marketing material related to a sweepstake or contest.

[17] M. Gillow goes on to state that "the [Owner] has expended considerable advertising revenue in promoting [the Mark] in association with the Products and Services". He has provided the net sales of "the Sélection range of Products and Services" and the advertising and promotional costs expended in relation thereto during the Relevant Period. The annual sales vary from over \$600,000 to over 2 million dollars while the advertising and promotional costs vary from near \$900,000 to over 2.5 million dollars. However those figures are not broken down per Products and Services.

### Analysis of the evidence

[18] I now have to determine if such evidence establishes use of the Mark by the Owner during the Relevant Period in association with each of the Goods and Services within the meaning of section 4 of the Act.

[19] I note that the Owner's written submissions are limited to general principles governing use of a trade-mark in association with goods and services in the context of a section 45 proceeding, and only refer to the use of the Mark during the Relevant Period in association with the Products as defined above which, as mentioned previously, do not correspond to the Goods and Services.

[20] Insofar as the books and magazines are concerned, I make the following observations. Firstly, there is a distinction between a book and a magazine. The term 'magazine' is defined in the *Oxford Canadian Dictionary* as 'a periodical publication containing articles, stories, etc. by various writers, usu. with photographs, illustrations, etc.' The samples produced as Exhibit A are periodicals containing stories and articles by various writers with photographs and illustrations. They are clearly magazines as opposed to 'books'.

[21] The Requesting Party submits that Exhibit A to Mr. Gillow's affidavit shows use of the Mark in association with 'magazines and newsletters' and I agree. However, I also consider the newsletters to be advertising of 'information services, namely, providing pre-selected sites of

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interest, entertainment, education and hobbies to users of global computer information network, namely the Internet'. In fact the newsletters filed advertise the website *www.selection.ca* wherein such information can be found. Consequently this exhibit also establishes use of the Mark in association with 'providing a website on global computer networks, namely the Internet' [see *Gowling Lafleur Henderson LLP v to Key Publishers Company Ltd* [2010 TMOB 7 (CanLII)].

[22] However, can I conclude that each magazine filed as part of Exhibit A to Mr. Gillow's affidavit shows use <u>by the Owner</u> of the Mark in association with 'magazines'? I note that each magazine filed has a notice inside stating that it was published by 'Sélection du Reader's Digest (Canada) SRL' (Reader's Digest Canada). Nowhere in Mr. Gillow's affidavit do we have information on this entity, and more importantly, there is no allegation that a license agreement exists between the Owner and Reader's Digest Canada on the use of the Mark and he does not describe the relationship between these two entities.

[23] Consequently I conclude that the evidence of record does not show use by the Owner of the Mark in Canada in association with magazines and monthly periodical publications during the Relevant Period.

[24] With respect to Exhibit B to Mr. Gillow's affidavit, the Requesting Party submits that, <u>at</u> <u>best</u>, this exhibit shows use of the Mark in association with:

- The services of organizing sweepstakes as well as on-line market research and surveys and contests;
- pre-selected sites of interest, entertainment, education and hobbies to users of global computer information network, namely the Internet;
- sale of goods and services through global communication network, namely the Internet;
- providing a website on global computer networks, namely the Internet;
- electronic services, namely on-line services, namely, customer services and account inquiries, order and payment processing.
- [25] I examined Exhibit B to Mr. Gillow's affidavit. It contains the following documentation:

- Advertisement of a contest ending November 30, 2010 where the prize is an iPad. The registration to this contest is done through the Owner's website;
- Advertisement to register via the Internet to a sweepstake with the possibility to win a car;
- Advertisement via the Internet to order books, CDs and DVDs.

[26] In the absence of detailed submissions on this point from the Owner I do not see how this exhibit shows use of the Mark in association with 'electronic services, namely... account inquiries,..., on-line market research and surveys' as well as 'pre-selected sites of interest, entertainment, education and hobbies to use a global computer information network, namely the Internet'. The mere advertisement on the Internet of books or CDs related to education, entertainment and hobbies does not constitute use of the Mark in association with the services of 'pre-selected sites of interest, entertainment, education and hobbies to use a global computer information network the services of 'pre-selected sites of interest, entertainment, education and hobbies to use a global computer information network, namely the Internet'.

[27] I do not consider Exhibit B to Mr. Gillow's affidavit to show use of the Mark in association with 'pre-recorded or blank compact discs, pre-recorded or blank audio cassette tapes, pre-recorded or blank video cassettes, pre-recorded or blank DVD's, pre-recorded or blank computer discs, CD-Roms and digital video discs containing software dedicated to navigating a global computer information network'. Even though some of those goods seem to be advertised on the material filed, mere advertisement of goods does not establish use of a trade-mark in association with such goods within the meaning of section 4(1) of the Act [see *Nissan Canada Inc v BMW Canada Inc* (2007), 60 CPR (4th) 181 (FCA)].

[28] In all, I conclude that Exhibit B to Mr. Gillow's affidavit shows use of the Mark in association with:

- The services of organizing sweepstakes as well as on-line market research and surveys and contests;
- sale of goods and services through global communication network, namely the Internet;
- providing a website on global computer networks, namely the Internet;

• electronic services, namely on-line services, namely, customer services and account inquiries, order and payment processing.

[29] As for Exhibit C to Mr. Gillow's affidavit, the Requesting Party contends that in view of the amounts mentioned in the invoices filed, it clearly appears that the invoices filed represent the sale of advertisements in the Owner's magazines. I agree with the Requesting Party. The lack of information on these invoices, coupled with some of the headings in the invoices such as 'size', 'colors' (sic) and 'type' as well as the name of the clients to whom the invoices are sent demonstrate that these invoices do not represent the sale of 'books, magazines or newsletters'. Moreover there is no reference on the invoices to the number of units sold or the unit price for the sale of magazines or newsletters. Any ambiguity in the content of the Owner's affidavit must be interpreted against it [see *Footlocker Group Canada Inc v Steinberg* (2005), 38 CPR (4th) 508 (FCA)]. Finally, I note that the invoices were issued by Reader's Digest Canada which is not the Owner.

[30] Exhibit D to Mr. Gillow's affidavit contains material related to the renewal of a subscription to the magazine SÉLECTION as well as a registration form for a sweepstake. However, once again, the material filed refers to Reader's Digest Canada as opposed to the Owner.

### **Conclusion**

[31] The analysis of the evidence filed by Mr. Gillow leads me to conclude that there is no evidence of use of the Mark in association with the following goods:

books, pamphlets, pre-recorded or blank compact discs, pre-recorded or blank audio cassette tapes, pre-recorded or blank video cassettes, pre-recorded or blank DVD's, pre-recorded or blank computer discs, CD-Roms and digital video discs containing software dedicated to navigating a global computer information network and instruction manuals regarding information technology.

[32] I also conclude that any evidence of use of the Mark in association with 'magazines and monthly periodical publications' cannot accrue to the benefit of the Owner as there is no evidence establishing Reader's Digest Canada as the Owner's licensee. Therefore there is also no evidence of use of the Mark by the Owner in Canada during the Relevant Period in association with those goods.

[33] There is no evidence of use of the Mark in Canada during the Relevant Period in association with the following services:

Mail order club dealing in video cassettes; information services, namely, providing pre-selected sites of interest, entertainment, education and hobbies to users of global computer information network, namely the Internet; electronic services, namely, account inquiries, on-line market research and surveys; electronic data and storage retrieval services, archival retrieval services.

[34] I wish to point out that despite the fact that Mr. Gillow did not make reference to:

- Mail order club dealing in sound recordings, compact discs, and DVD's;
- information services, sweepstakes;

as part of the defined term 'Products', I considered the evidence filed and, wherein such evidence establishes use of the Mark in association with those goods and services, I concluded accordingly.

[35] I note that Mr. Gillow has not provided any evidence that would lead to a conclusion that there were special circumstances justifying non-use of the Mark during the Relevant Period within the meaning of section 45(3) of the Act.

# **Disposition**

[36] Consequently, 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 amended to delete:

Monthly periodical publications, books, magazines, pamphlets, pre-recorded or blank compact discs, pre-recorded or blank audio cassette tapes, pre-recorded or blank video cassettes, pre-recorded or blank DVD's, pre-recorded or blank computer discs, CD-Roms and digital video discs containing software dedicated to navigating a global computer information network; instruction manuals regarding information technology. Mail order club dealing video cassettes; information services, namely, providing pre-selected sites of interest, entertainment, education and hobbies to users of global computer information network, namely the Internet; electronic services, namely, on-line services, namely, on-line market research and surveys; electronic data and storage retrieval services, archival retrieval services.

[37] The amended statement of goods and services will be as follows:

newsletters.

Mail order club dealing in sound recordings, compact discs and DVD's; electronic services, namely, order and payment processing, sweepstakes and contests; sale of goods and services through global communication network, namely, the Internet; providing a website on global computer networks, namely, the Internet.

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