



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

Citation: 2011 TMOB 240
Date of Decision: 2011-11-30

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Dimock Stratton LLP against registration
No. TMA431,095 for the trade-mark DRIFTER in the
name of Canaday's Apparel Ltd.**

[1] At the request of Dimock Stratton LLP (the Requesting Party), the Registrar of Trade-marks forwarded a notice under s. 45 of the *Trade-marks Act* R.S.C. 1985, c. T-13 (the Act) on June 18, 2008, to Canaday's Apparel Ltd., the registered owner (the Registrant) of registration No. TMA431,095 for the trade-mark DRIFTER (the Mark).

[2] The Mark is registered in association with the following wares (the Wares):

Men's, women's, boys' and girls' clothing, namely, pants, slacks, shorts, jackets and shirts.

[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/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 June 18, 2005 and June 18, 2008 (the Relevant Period).

[4] The relevant definition of "use" in the present case is set out in s. 4(1) of the Act as follows:

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] In response to the Registrar's notice, the Registrant furnished two affidavits of E.J. King. Only the Registrant filed written submissions; an oral hearing was not conducted.

[6] With respect to the evidence, I note that the first King affidavit, filed with the Office on December 10, 2008, contained technical deficiencies. Subsequently, the Registrant requested and was granted a retroactive extension of time pursuant to s. 47(2) to file the second King affidavit. The second affidavit, which includes evidence similar to that which was enclosed with the first affidavit, was filed without technical deficiencies. In view of the second affidavit, I need not have regard to, nor discuss the technical deficiencies in Mr. King's first affidavit. Accordingly, any reference to Mr. King's affidavit in the following decision will be in respect of Mr. King's second affidavit.

[7] In his affidavit, Mr. King identifies himself as the President of the Registrant. He states that the Registrant is in the business of designing, manufacturing and selling clothing throughout Canada in association with its registered and unregistered trade-marks, including the Mark.

[8] Mr. King further attests that at present, the Registrant distributes and sells pants, slacks, jackets and shirts for men, women and children in association with the Mark through at least 153 Canadian retailers across Canada. He attaches, as Exhibit B, specimen labels, size tickets and tags depicting what he describes as the Registrant's current use of the Mark in association with a variety of articles of clothing, including pants, slacks, jackets and shirts. The Mark appears clearly and prominently on such labels and tags.

[9] With respect to the Relevant Period, Mr. King attests that the Registrant sold throughout Canada, numerous articles of clothing in association with the Mark, including slacks, jeans and shorts. I consider "jeans" to be encompassed by the registered ware "pants". Mr. King does not specify these items as men's, women's, girls' or boys' clothing items. While I note that the sampling of invoices submitted as Exhibit C appear to support his statement regarding sales

generally, the invoices are equally ambiguous as to whether the articles sold are men's, women's, girl's and/or boy's clothing items.

[10] Mr. King then states that the Mark has been in continuous use by the Registrant in Canada since at least as early as June 16, 1994 in association with the Registrant's core pants and slacks products; however, with respect to the remaining Wares, he states that the Registrant has only used the Mark intermittently in Canada since at least June 1994. He excuses any intermittent pauses in the Registrant's use of the Mark as customary of the normal course of trade of a clothing manufacturer and distributor. More particularly, such pauses being imposed by changing fashion trends and the necessity to re-design and re-introduce such products to the marketplace.

[11] Attached as Exhibits D and E are examples of print and point of sale advertising and promotional materials. The print advertisements pertain to the Relevant Period and identify the Registrant's products as being sold through men's wear stores. The point of sale material consists of what is described as a "counter card" as currently used in retail stores across Canada. The card displays the Mark with the tag-line "The Gentleman's Jean".

[12] Lastly, Mr. King provides general sales figures for both the Relevant Period, as well as since the Registrant commenced use of the Mark (1994), which includes the total number of articles of clothing and the total dollar value of sales of clothing items associated with the Mark. The figures provided are not broken down by individual clothing item; instead, they are represented as totals.

[13] Having considered the evidence, the first question is whether the Registrant has shown use of the Mark in Canada during the Relevant Period with *each* of the Wares. In the event that it is concluded that use of the Mark has not been shown in Canada during the Relevant Period in association with each of the Wares, the question then becomes whether special circumstances have been demonstrated that would excuse such non-use.

Has use been shown with each of the Wares?

[14] In the Opposition Board decision, *Cohen v. JMAX Distributors Inc.* 2011 CarswellNat 1391 (T.M.O.B.), Member Sprung summarized the law with respect to the requirement to demonstrate use in association with *each* of the wares and/or services as follows:

Section 45 clearly indicates that use is to be shown “with respect to each of the wares or services specified in the registration”. However, proceedings under s.45 of the Act are summary and administrative in nature and concerns of evidentiary overkill weigh against requiring the use of every registered ware and service be shown to prevent removal of each from the register [see *Saks & Co. v. Canada (Registrar of Trade-marks)* (1989), 24 C.P.R. (3d) 49 (F.C.T.D.), *Ridout & Maybee LLP v. Omega SA*, 2005 FCA 306, 39 C.P.R. (4th) 261 and *Gowling Lafleur Henderson LLP v. Neutrogena Corporation* (2009), 74 C.P.R. (4th) 153 (T.M.O.B.)]. This concept is appropriately applied to cases where there is a long list of wares and where the statement of wares is organized such that demonstration of use for a number of goods within a category can be sufficient to show use for the entire category. In *Performance Apparel Corp. v. Uvex Toko Canada Ltd.*, 2004 FC 448, 31 C.P.R. (4th) 270, Justice Russell speaks of the balance between evidentiary overkill and the obligation to show use to the extent that the Registrar is able to form an opinion on the “use” within the context of s.45. In these circumstances, an affidavit must contain a clear and comprehensive statement of use in association with each of the wares for the relevant period as well as sufficient facts to permit the Registrar to conclude that the trade-mark is in use in association with each ware.

[15] In addition to the above-mentioned guiding principles, I am also mindful that an assertion of use as a matter of law is insufficient to demonstrate use, and that ambiguities in the registrant’s evidence are to be interpreted against the interests of the registered owner [*Aerosol Fillers Inc. v. Plough (Canada) Ltd.* (1980), 45 C.P.R. (2d) 194 at 198; *aff’d* 53 C.P.R. (3d) 62 (F.C.A.)].

[16] In the present case, I find the list of wares in the registration to be minimal, such that it would not have imposed an undue burden on the Registrant to furnish evidence of use with respect to *each* of the Wares in Canada during the Relevant Period.

[17] Upon review of the evidence, I accept that use of the Mark during the Relevant Period in Canada has been shown in association with “slacks, pants, and shorts”. In reaching this determination, I am not relying on the product label evidence in Exhibit B, as Mr. King attests that this evidence pertains to *current* use of the Mark, and I am unable to infer that this evidence

is representative of the use that occurred during the Relevant Period. This conclusion is further supported by Mr. King's statements regarding intermittent use of the Mark with respect to many of the remaining Wares (*Plough, supra*). Rather, it is the invoices in Exhibit C that I accept as providing evidence of such use. In this regard, the invoices clearly show the Mark in the body and provide information to support that sufficient notice of association would have been given to the purchaser [see *Gordon A. MacEachern Ltd. v. National Rubber Co. Ltd.* (1963), 41 C.P.R. 149 (Can.Ex.Ct); *McCarthy Tetrault v. Acer America Corp.* (2003), 30 C.P.R. (4th) 562 (T.M.O.B.); and *Riches, McKenzie & Herbert LLP v. KOM Networks Inc.* (2005), 51 C.P.R. (4th) 65 (T.M.O.B.)].

[18] However, what is not clear is whether such use pertains to men's, women's, boys' and/or girls' clothing. Indeed, Mr. King's statements regarding use of the Mark during the Relevant Period, as well as the invoices provided in Exhibit C are ambiguous in this regard. However, while the specimen advertisements attached as Exhibit D to Mr. King's affidavit do not constitute use of the Mark in accordance with s. 4(1) of the Act, I find this exhibit useful nonetheless in construing the nature of the Wares that were sold during the Relevant Period. These advertisements speak to the normal course of trade of the Registrant during the Relevant Period and indicate that certain of the Registrant's Wares were available in select men's wear stores. Thus, I find it reasonable to accept that the use demonstrated pertains to *men's* "slacks, pants, and shorts". However, I have no basis to conclude that such use extended, during the Relevant Period, to women's and children's clothing. Mr. King does not provide a clear statement in this regard, and I cannot draw inferences from the evidence that would support this finding.

[19] The question then becomes whether or not special circumstances have been shown that would excuse non-use of the Mark in association with the remaining Wares.

Special Circumstances

[20] As previously indicated, Mr. King explains in his affidavit, that any intermittent pause in the use of the Mark can be attributed to what is customary in the normal course of trade of a fashion-oriented clothing manufacturer, that is, such non-use during the Relevant Period was due to the necessity to re-design and re-introduce products as dictated by fashion trends. In its

written representations, the Registrant submits that such circumstances were the result of special circumstances that were beyond the control of the Registrant, and likens the present situation to the special circumstances excusing non-use considered by the Registrar in relation to the toy industry in *Re Regal Toy Ltd.* (1975), 29 C.P.R. (2d) 239 (R.T.M.).

[21] Suffice it to say that each case must be decided on its own merits. However, I also note that the case law regarding special circumstances has advanced considerably over the years. It is now well established that three criteria must be considered in assessing whether or not there are circumstances that would excuse non-use: first, the length of time during which the trade-mark has not been used; second, whether the registered owner's reasons for not using its trade-mark were due to circumstances beyond its control; and third, one must find whether there exists a serious intention to shortly resume use [*Registrar of Trade-marks v. Harris Knitting Mills Ltd.*, 4 C.P.R. (3d) 488 (F.C.A.)]. With respect to the second criterion, "special circumstances" mean "circumstances that are unusual, uncommon or exceptional" [see *John Labatt Ltd. v. The Cotton Club Bottling Co.* (1976), 25 C.P.R. (2d) 115 (F.C.T.D.)]. Furthermore, for a finding of special circumstances, satisfying this second criterion is absolute [*Scott Paper Limited v. Smart & Biggar and The Attorney General of Canada* (2008), 65 C.P.R. (4th) 303 (F.C.A.)]. This is not to say that the other two criteria are not relevant factors to consider, but just that those factors, in isolation, do not constitute special circumstances.

[22] In the present circumstances, with respect to the date of last use of the Mark with the remaining Wares, Mr. King simply states that such use has occurred "from time to time between at least June 1994 and the present day". Given the ambiguous nature of this statement, I am unable to determine the extent of the duration of non-use; this must be weighed in conjunction with the reasons for non-use.

[23] With respect to the reasons for non-use advanced by the Registrant, I do not see how such circumstances qualify as unusual, uncommon or exceptional. The decision to withdraw certain Wares from the marketplace for re-design and re-introduction requires planning, foresight, and in my view, is a deliberate business decision of the Registrant. The Registrant simply has not provided sufficient information to support the re-design and introduction of new products could not occur concurrently with the sale and use of the Mark in association with established/aging

product lines. In any event, given the lack of clarity with respect to the date of last use of the Mark with the remaining Wares, I am unable to determine that such non-use persisted as a result of factors that were beyond the control of the Registrant. Thus, as I find that the second criterion of the *Harris Knitting Mills* test has not been satisfied [*Scott Paper, supra*], I need not discuss whether the Registrant has demonstrated a serious intention to shortly resume use. Consequently, I am not satisfied that special circumstances to excuse the non-use of the Mark with the remaining Wares have been shown.

Disposition

[24] Having regard to the foregoing, pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be maintained solely in respect of “*men’s clothing, namely pants, slacks and shorts.*”

Kathryn Barnett
Hearing Officer
Trade-marks Opposition Board
Canadian Intellectual Property Office