

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

> Citation: 2014 TMOB 270 Date of Decision: 2014-12-01

## IN THE MATTER OF A SECTION 45 PROCEEDING requested by McMillan LLP against registration No. TMA175,769 for the trade-mark MCLEAN'S in the name of Produits Alimentaires Berthelet Inc.

[1] On November 27, 2012 at the request of McMillan LLP (the Requesting Party) the Registrar forwarded a notice (the notice) under section 45 of the *Trade-marks Act*, RSC 1985, c T -13 (the Act) to Produits Alimentaires Berthelet Inc. (the Registrant), concerning registration No. TMA175,769 for the trade-mark MCLEAN'S (the Mark). It covers:

Food products namely: cocoanut, cake mixes, marshmallow, icing and icing bases, toppings, cherries, marmalade, jams, jelly powders, mincemeat, puddings, cake and pie fillings, spices, shortenings, meringue powder, cocoa powders, hot chocolate powder, food coloring, flavored syrups, dessert sauces, gravy bases, instant gravy mixes, ice cream bases, flavored bases and concentrates for non-carbonated drinks, instant potatoes, potato white, thickening for pie fillings, dehydrated onions, sweet relish, mustard, soup bases, nuts, fruit acids, starch and/or fruit based fillings used in the bakery industry, emulsions, essences and flavorings, mono sodium glutamate, sauces for meat, bar B Q sauce, and prepared bread, bun, roll, doughnut and waffle mixes (the Wares).

[2] In response to the notice, the Registrant filed the affidavit of Alain Breault together with Exhibits AB-01 to AB-06.

[3] The parties filed written representations and no hearing was held.

[4] For the reasons that follow I conclude that registration TMA175,769 ought to be amended to delete:

cocoanut, cake mixes, marshmallow, icing and icing bases, cherries, marmalade, jams, jelly powders, mincemeat, puddings, cake fillings, spices, shortenings, meringue powder, cocoa powders, hot chocolate powder, food coloring, instant potatoes, potato white, thickening for pie fillings, dehydrated onions, sweet relish, mustard, nuts, fruit acids, starch, emulsions, mono sodium glutamate, and prepared bread, bun, roll, doughnut and waffle mixes.

#### The law

[5] The notice requires the Registrant to show whether the Mark had been used in Canada in association with the Wares 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. The relevant period in this case is any time from November 27, 2009 to November 27, 2012 (the Relevant Period).

[6] Section 45 proceedings are simple, expeditious and serve the purpose of clearing the register of "deadwood"; as such, the threshold test to establish use of the Mark is quite low [see *Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)].

[7] A simple allegation of use of the Mark is not sufficient to evidence its use in association with the Wares within the meaning of section 4(1) of the Act. There is no need for evidentiary overkill. However, any ambiguity in the evidence filed shall be interpreted against the owner of the Mark [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (4th) 62 (FCA)].

[8] I therefore must determine if I am satisfied that the evidence to be described afterward enables me to conclude that the Mark had been used by the Registrant in Canada in association with the Wares during the Relevant Period. If there is no evidence of use of the Mark during the Relevant Period, I must determine if the Registrant has established special circumstances that would justify the non-use of the Mark during the Relevant Period [see section 45(3) of the Act].

### The evidence

[9] Mr. Breault describes himself has the Registrant's Vice-President and its duly authorized representative. He starts his affidavit by making a bald statement that the Mark has been used by the Registrant or by its duly authorized distributors in Canada in association with the Wares. He states that the Registrant has more than 130 clients in at least 5 Canadian provinces as it appears from the Registrant's sales report for the period of January 1, 2010 to December 31, 2012. The

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sales figures are provided for the Mark on an annual basis per client but there is no breakdown per product.

[10] Mr. Breault filed samples of purchase orders, order confirmations and invoices (Exhibits AB-01 and AB-03) issued by the Registrant during the Relevant Period which illustrates the sale of the following wares in association with the Mark:

Caramel sauce, toppings for cones, toppings for sundaes, hot fudge-chocolate, béchamel sauce mix, instant brown sauce mix, onion soup base, beef soup base, chicken soup base, poutine sauce mix, hot chicken sauce mix, pie filling, baking powder, vanilla flavour, slush concentrate and slush bases.

[11] I wish to note that I only mentioned the wares that were sold in association with the Mark as on the invoices some of the wares listed were sold in association with other trademarks (BERTHELET for example). Also most of the products bear a code number and I was able to associate it with the code number appearing on the product list which appears on the Registrant's website (Exhibit AB-02) to be discussed later.

[12] Mr. Breault alleges that distribution agreements are the subject of ongoing negotiations for many months or have been concluded for the sale of the Wares in association with the Mark in order to distribute the Wares in association with the Mark in Canadian cities in British Columbia, Alberta and Manitoba. He further states that many clients are regional distributors. The Wares are sold in dairy bars, grocery stores or distributed in hotels, cafeterias and hospitals.

[13] He alleges that sales of the Wares in association with the Mark are generally conducted via the Internet through the Registrant's website where all the Wares associated with the Mark can be purchased by the clients. He filed some extracts of the website (Exhibit AB-02) and in particular the pages listing the products available for sale in association with the Mark. I note that on a page filed there is a listing of the trade-marks owned by the Registrant which includes the Mark. Also, the list of products appearing on the pages filed identifies various products under different trade-marks. However, the following wares are listed in association with the Mark:

Puddings, fruit flavoured slush syrups, mix for crème brûlé, mix for crème caramel, artificial vanilla flavour, toppings for sundaes, toppings for cones.

[14] He filed photocopies of pictures of packaging bearing the trade-mark MCLEAN and ribbon design (Exhibit AB-04). The following is an illustration of that trade-mark except for the comments below:



However the design appearing on the packaging illustrated on the pictures filed does not include the smaller ribbon underneath the word portion as shown above. I consider the use of the trade-mark MCLEAN and ribbon design to be use of the Mark [see *Canada (Registrar of Trade-marks) v Cie Internationale pour l'informatique CII Honeywell Bull SA*, (1985) 4 CPR (3d) 523 (FCA)]. Finally, the packages shown are for mix for crème brûlé, mix for crème caramel, hot chicken sauce mix, brown sauce mix, Bar BQ sauce mix, chicken soup base and beef soup base.

[15] Mr. Breault states that the Mark is advertised and promoted by way of pamphlets and he filed a sample of such pamphlet entitled '*Produits pour Bars Laitiers-Guide de l'Opérateur*' (Exhibit AB-05). The Mark appears in the text of the document; so is the trade-mark illustrated above on each of the pamphlet's pages. Also part of Exhibit AB-05 is a price list 'effective January 30, 2011'.

[16] Mr. Breault concludes his affidavit by stating that there is sufficient evidence of use of the Mark in Canada by the Registrant in association with the Wares during the Relevant Period. He adds that the use of the Mark will increase in Canada because of the new agreements with distributors.

# Analysis of the Registrant's evidence

[17] I have to determine if such evidence is sufficient to maintain the registration on the register. The Registrant did not make any representations with respect to the following wares:

Cake mixes, marshmallow, icing and icing bases, cherries, marmalade, jams, jelly powders, mincemeat, spices, shortenings, instant potatoes, potato white, dehydrated onions, sweet relish, mustard, nuts, mono sodium glutamate, prepared bread, bun, roll, doughnut and waffle mixes.

[18] There is no evidence of use of the Mark in association with those wares in the record. The Requesting Party argues that the Registrant has the burden to show use in respect of all the wares listed in the registration. I will later determine if the Registrant has provided facts that could be considered as 'special circumstances' explaining non-use of the Mark such that the registration could still cover all of the Wares.

[19] The Requesting Party admits that the Breault Affidavit does contain some evidence with respect to the following wares:

Toppings, flavored syrups, dessert sauces, ice cream bases, flavored bases and concentrates for non-carbonated drinks and soup bases.

As such it did not make comments on the evidence concerning those wares and invited the Registrar to determine if such evidence is sufficient to maintain the registration at best for those wares.

[20] I am satisfied that the Registrant has shown use of the Mark with respect to those wares; it has established, through the evidence described above, that they were sold by the Registrant in Canada in the normal course of trade during the Relevant Period and that the Mark was associated with those wares at the time of their transfer.

[21] Therefore it remains to be determined if there is evidence of use in association with the following wares:

Cocoanut, puddings, cake and pie fillings, meringue powder, cocoa powders, hot chocolate powder, food coloring, gravy bases, instant gravy mixes, thickening for pie fillings, fruit acids, starch and/or fruit based fillings used in the bakery industry, emulsions, essences and flavorings, sauces for meat, Bar BQ sauce.

[22] For most of these remaining wares the Registrant made some comments and I will summarize them and determine if there is evidence of use for each one of those remaining wares.

[23] For coconut, the Registrant asserts that the list of products appearing on the Registrant's website (Exhibit AB-05) makes reference to instant pudding 'coconut'. There is a distinction between the coconut itself and a 'coconut' instant pudding. I conclude that there is no evidence of use of the Mark during the Relevant Period in association with coconut.

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[24] With respect to 'puddings' the Registrant argues that there is evidence of use of the Mark in association with puddings during the Relevant Period and it refers to the list of products (Exhibit AB-02) and the price list filed as Exhibit AB-05 to Mr. Breault's affidavit. The fact that the product might have been available for sale in Canada as listed on the Registrant's website and on its price list does not equate to evidence of use of the Mark in association with such ware within the meaning of section 4(1) of the Act. There is no mention of 'puddings' on any of the invoices or order confirmation filed. Consequently, the Registrant has not met its burden with respect to 'puddings'.

[25] As for 'hot chocolate powder', the Registrant refers to an invoice included in Exhibit AB-01 to Mr. Breault's affidavit where there is reference to the sale of 'Hot fudge, chocolate'. It also refers to the list of products on the Registrant's website and the price list. As mentioned earlier I do not consider those last two documents evidencing use of a trade-mark within the meaning of section 4(1) of the Act. Moreover, there is a distinction between 'hot chocolate powder' and 'hot fudge, chocolate' that serves as topping on a cone or a sundae. There is no evidence that a sale was concluded for 'hot chocolate powder'.

[26] With respect to 'meringues powder', the Registrant refers to the price list filed as Exhibit AB-05 where there is reference to 'MERINGUE McLean'. For the same reasons detailed above concerning 'puddings' I do not consider such evidence as evidence of use of the Mark in association with 'meringues powder' within the meaning of section 4(1) of the Act.

[27] As for 'thickening for pie filling, starch and/or fruit based fillings used in the bakery industries and emulsions' again the Registrant refers to the price list (Exhibit AB-05). As mentioned in the preceding paragraph I do not consider such evidence *per se* to be proper evidence of use of the Mark. However, I note that on the order confirmation dated August 22, 2012 and filed as part of Exhibit AB-01 there is reference to various pie fillings under the Mark and therefore, I am satisfied that there is evidence of use of the Mark in association with pie fillings and fruit based fillings used in the bakery industries..

[28] With respect to 'essence and flavoring', the Registrant refers to the product list part of Exhibit AB-02 to Mr. Breault's affidavit. However, I note that on the order confirmation dated

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August 22, 2012 included in Exhibit AB-01, there is reference to various slush flavors. I consider such evidence sufficient to establish use of the Mark in association with those wares.

[29] As for 'sauces for meat' and 'Bar BQ sauce', the Registrant refers to the packaging used by it for those products and filed as Exhibit AB-04 to Mr. Breault's affidavit. I may add that such items are also clearly identified on the invoices and order confirmation forms filed as Exhibit AB-01 and AB-03. Therefore, the Registrant has shown use of the Mark during the Relevant Period in association with those wares.

[30] Furthermore, the Registrant argues that 'gravy bases' and 'instant gravy bases' can be assimilated to among others, 'sauces for meat', and I agree.

[31] With respect to 'food coloring', the Registrant argues that it could be associated with 'toppings', 'essence' or 'flavor syrup'. I do not agree. There is no evidence in the record that would enable me to make such conclusion.

[32] Finally there is no evidence of use of the Mark in association with 'cocoa powder', 'thickening for pie fillings', 'fruit acids', 'starch' and 'emulsion'.

[33] As it appears from above, I am not satisfied that there is in the record, evidence of use of the Mark in association with:

coconut, cake mixes, marshmallow, icing and icing bases, , cherries, marmalade, jams, jelly powders, mincemeat, puddings, cake fillings, spices, shortenings, meringue powder, cocoa powders, food coloring, instant potatoes, potato white, thickening for pie fillings, dehydrated onions, sweet relish, mustard, nuts, fruit acids, starch, emulsions, mono sodium glutamate, and prepared bread, bun, roll, doughnut and waffle mixes.

[34] The fact that there has been no use of the Mark in Canada during the Relevant Period in association with some of the Wares does not necessarily mean that those wares would automatically be deleted from the registration. The registration of a trade-mark could be maintained if the Registrant sets out reasons excusing non-use of the Mark. It is up to the Registrar based on the evidence of record to determine whether requisite "special circumstances" exist to excuse the non-use of the Mark in association with some or all of the Wares [see section 45(3) of the Act].

[35] The applicable test, when dealing with special circumstances excusing non-use, has been laid out in *Canada (Registrar of Trade Marks) v Harris Knitting Mills Ltd* (1985), 4 CPR (3d)
488. Three important criteria must be considered:

- 1) The length of time during which the trade-mark has not been used;
- 2) Whether the registered owner's reasons for not using its trade-mark were due to circumstances beyond its control; and
- 3) Whether there exists a serious intention to shortly resume use.

[36] There is no mention of the last date of use of the Mark in Canada in association with those wares. Under these circumstances, the date of last use is presumed to be the date of the registration of the Mark [see *GPS (UK) Ltd v Rainbow Jean Co* 1984, 58 CPR (3d) 535]. In the present case the Mark was registered on April 30, 1971. Therefore, there would have been a period of more than 40 years between the date of last use of the Mark and the date the Registrar issued the notice.

[37] Moreover, Mr. Breault does not provide any reasons as to why there has been non-use of the Mark in Canada in association with any of those wares for a period of at least 40 #years. Therefore I cannot determine if the reasons for non-use of the Mark during the Relevant Period were due to circumstances beyond the Registrant's control. This defect in the Registrant's evidence is fatal [see *Scott Paper Ltd v Smart & Biggar* (2008), 65 CPR (4th) 303], but there is yet another anomaly in the Registrant's evidence.

[38] Indeed, there is no indication as to when the Registrant intends to resume use of the Mark in Canada in association with those wares. Mr. Breault states that some distribution agreements have been concluded without specifying when those agreements were reached, with whom and when the use of the Mark would resume in Canada in association with those wares in light of those agreements.

[39] The Registrant has not met its burden to establish special circumstances justifying nonuse of the Mark with those wares during the Relevant Period.

### **Disposition**

[40] Pursuant to the authority delegated to me under section 63(3) of the Act and in accordance with section 45 of the Act, the registration will be amended to delete the following wares:

coconut, cake mixes, marshmallow, icing and icing bases, cherries, marmalade, jams, jelly powders, mincemeat, puddings, cake fillings, spices, shortenings, meringue powder, cocoa powders, hot chocolate powder, food coloring, instant potatoes, potato white, thickening for pie fillings, dehydrated onions, sweet relish, mustard, nuts, fruit acids, starch, emulsions, mono sodium glutamate, and prepared bread, bun, roll, doughnut and waffle mixes.

The amended statement of wares will read:

Food products namely: toppings, pie fillings, flavored syrups, desert sauces, gravy bases, instant gravy mixes, ice cream bases, flavored bases and concentrates for non-carbonated drinks, soup bases, fruit based fillings used in the bakery industry, essences and flavorings, sauces for meat and bar BQ sauce

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