



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

Citation: 2011 TMOB 132
Date of Decision: 2011-07-21

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Fabrica Italiana Accumulatori Motocarri
Montecchio – F.I.A.M.M. S.p.A. against registration
No. TMA556,552 for the trade-mark FAAM Design in the
name of FAAM S.p.A.**

[1] On December 5, 2008, the Registrar of Trade-marks forwarded a notice under s. 45 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) to FAAM S.p.A., the registered owner (the Registrant) of registration No. TMA556,552, for the trade-mark FAAM Design (the Mark). The s. 45 notice identified F.I.A.M.M. as the requesting party to this proceeding.

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

Battery jars, acidimeters for batteries, batteries, apparatus for recharging batteries, namely battery chargers and acid refilling equipment; grids for batteries, plates for batteries, batteries for vehicles.

[3] Section 45 of the *Trade-marks Act* requires the registered owner of the trade-mark to show, with respect to each of the wares and/or services specified in the registration, whether the trade-mark was in use in Canada at any time during 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 December 5, 2005 and December 5, 2008.

[4] The applicable definition of “use” in association with wares, in the present case, is set out in subsection 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] Furthermore, in accordance with s. 45(3) of the Act, if such use is not shown and the absence of use is not due to special circumstances that excuse the absence of use, the registration is liable to be expunged or amended accordingly.

[6] Section 45 proceedings are considered to be summary and expeditious for clearing the register of non-active trade-marks. The expression “clearing deadwood” has often been used to describe such proceedings (*Philip Morris Inc. v. Imperial Tobacco Ltd.* (1987), 13 C.P.R. (3d) 289 (F.C.T.D.)). While it is true that the threshold for establishing use in a s. 45 proceeding is quite low [*Woods Canada Ltd. v. Lang Michener* (1996), 71 C.P.R. (3d) 477 (F.C.T.D.) at 480; *Austin Nichols & Co. v. Cinnabon, Inc.* (1998), 82 C.P.R. (3d) 513 (F.C.A.)], sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with the registered wares during the relevant period. It was established in *Plough (Canada) Ltd. v. Aerosol Fillers Inc.* (1980), 53 C.P.R. (2d) 62 (F.C.A.) that assertions of use as a matter of law are insufficient to demonstrate use. However, statements of fact demonstrating use are not merely bald assertions (*Mantha & Associates/Associates v. Central Transport, Inc.* (1995), 64 C.P.R. (3d) 354 (F.C.A.)). Furthermore, it has also been held that evidentiary overkill is not required when use can be shown in a simple, straightforward fashion; use must be shown,

not examples of all uses (*Union Electric Supply Co. v. Registrar of Trade Marks* (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)).

[7] In response to the Registrar's notice, the Registrant filed the affidavit of Federico Vitali, the president of the Registrant, together with Exhibits A to C. Both parties filed written submissions, however, only the Registrant was represented at an oral hearing.

[8] As a preliminary matter, I will discuss an issue brought up by the Registrant at the outset of the hearing. The Registrant submits that the requesting party identified on the s. 45 notice issued by the Registrar, is not a "person" as defined by s. 2 of the Act, since it is identified by trading style only. Furthermore, the Registrant submits that as s. 45(1) of the Act requires that an entity requesting a notice be such a "person", F.I.A.M.M. was not entitled under s. 45 to request that a notice be issued by the Registrar. Thus, it argues the proceedings should be considered a nullity and be terminated.

[9] Upon review of the physical file, I note that the request was made by Fabrica Italiana Accumulatori Motocarri Montecchio – F.I.A.M.M. S.p.A. It appears that the full name of the requesting party inadvertently was not transcribed into the computerized database record for the subject registration. Consequently, the s. 45 notice that generated from this record incorrectly referred to F.I.A.M.M. as the requesting party. As Rule 33 of the *Trade-marks Regulations* confers the Registrar with discretion to correct clerical errors in any instrument of record, the requesting party will be properly recorded as Fabrica Italiana Accumulatori Motocarri Montecchio – F.I.A.M.M. S.p.A. The designation S.p.A. is a designation accepted as being indicative of a legal entity in Italy, and thus qualifies as a "person" who may request the issuance of a s. 45 notice. Accordingly, I will now review the relevant evidence and discuss the remaining issues and arguments brought forth by the parties.

[10] In his affidavit, Mr. Vitali attests that the Registrant manufactures and has sold each of the registered wares bearing the Mark in Canada, since at least as early as 2008. As part of the Registrant's normal course of trade, he explains that the products are marked or labelled with the

Mark and are then shipped to Canadian distributors who in turn sell the products to end consumers.

[11] In paragraph 3 of this affidavit, Mr. Vitali states the following:

The trade-mark FAAM Design is owned and use of this mark is controlled by MY COMPANY, Faam S.p.A. Faam S.p.A. dictates the quality standards applied to the products bearing the FAAM Design mark and has complete control of the manner in which the trade-mark FAAM Design is used in association with the wares.

[12] With respect to documentary evidence of such use, Mr. Vitali provides Exhibits “B” and “C”. Exhibit “B” includes invoices which Mr. Vitali attests reference sales of products bearing the Mark, by the Registrant, to one of its Canadian distributors during the relevant period. I note that a slight variant of the Mark appears in the top left-hand corner of the invoices. Furthermore, I note the entity listed on the invoices as the seller of such goods is identified as I.B.F. S.p.A., beneath which are the words “Soggetta a direzione a coordinamento della Faam S.p.A.” with further reference to the Registrant’s website and an e-mail address as follows: info-ibf@faam.com.

[13] An explanation of the specific goods listed on the invoices as they correlate to the registered wares is provided in paragraph 5 of the affidavit, which includes the following registered wares: batteries, grids for batteries, battery jars, acidimeters for batteries, batteries for vehicles, and apparatus for recharging batteries, namely battery chargers and acid refilling equipment. I note however, there is no mention of the wares described as “plates for batteries”, and I see no reference to such wares on the invoices.

[14] Lastly, Exhibit “C” consists of samples of the Registrant’s product brochures. The brochures depict a variety of batteries for different applications, bearing the same slight variant of the Mark as appears on the invoices in Exhibit “B”. Mr. Vitali clearly attests “the manner in which the trade-mark is applied to the products shown in these brochures demonstrates the manner in which the trade-mark is used in Canada”.

[15] With regard to the evidence furnished, the Requesting Party has brought forth the following arguments in its submissions:

- The evidence does not show use of the Mark by the Registrant or use by a proper licensee accruing to the benefit of the Registrant pursuant to s.50 of the Act;
- The mark shown on the invoices differs from the trade-mark as registered; and
- The evidence does not show that notice of association was provided between the Mark and the registered wares at the time of transfer as required by s.4 of the Act.

[16] With respect to the first argument, the Requesting Party submits that of particular significance, and contrary to the affiant's assertion, is that the invoices provided under Exhibit "B" indicate that the seller of such goods is an entity other than the Registrant, namely, I.B.F. S.p.A. The Requesting Party argues that there is no indication of who this entity is and/or the relationship it has with the Registrant, and that any use of the Mark by I.B.F. S.p.A. did not accrue to the benefit of the Registrant pursuant to s. 50 of the Act.

[17] The Registrant on the other hand, argues that from the facts of the present case and for the purposes of the present proceeding, it can be concluded by the Registrar that an implied license exists between the I.B.F. S.p.A. and the Registrant. In this vein, the Registrant submits that reference to the Registrant on the invoices, although in the Italian language, as well as Mr. Vitali's statements regarding ownership and control of the Mark at paragraph 3 of his affidavit, are sufficient to conclude that whatever use has been made of the Mark by I.B.F. S.p.A. accrues to the benefit of the Registrant by virtue of s. 50(1) of the Act.

[18] A translation of the Italian words "Soggetta a direzione a coordinamento della Faam S.p.A." as listed on the invoices, was not provided in Mr. Vitali's affidavit. However, I find it reasonable to infer, particularly in view of the inclusion of the Registrant's website address and an e-mail address that incorporates reference to both I.B.F. S.p.A. and Faam S.p.A. on the invoices, that a corporate or business relationship exists between the two entities. While I

acknowledge that corporate structure alone does not establish the existence of a licensing arrangement (*MCI Communications Corp. v. MCI Multinet Communications Inc.* (1995), 61 C.P.R. (3d) 245 (T.M.O.B.)), it is also true that the filing of a copy of a license agreement is not mandatory provided that the evidence establishes that the registrant has control over the character and quality of the wares bearing the mark [see *Gowling, Strathy and Henderson v. Samsonite Corp.* (1996), 66 C.P.R. (3d) 560 and *Mantha & Associés/Associates v. Central Transport Inc.* (1995), 64 C.P.R. (3d) 354]. Furthermore, there is authority for inferring a license from the facts provided (*Taylor v. Matthew McAvan Enterprises Ltd.* (2004), 38 C.P.R. (4th) 284 (T.M.O.B.)).

[19] I am of the view, keeping in mind the purpose and intent of s.45, that the requirements set forth in s. 50(1) have been satisfied. I have taken into consideration Mr. Vitali's clear statements at paragraph 3 of his affidavit regarding control over the Mark, as well as the references made to the Registrant on the invoices. Given such evidence as a whole, I am prepared to infer that a license existed, and that use of the Mark by I.B.F. S.p.A. enured to the benefit of the Registrant pursuant to s. 50(1) of the Act.

[20] Now moving to the issue of deviation of the trade-mark as used, it is true that a variation of the Mark appears on the invoices in Exhibit "B", as well as on the products depicted in the brochures in Exhibit "C". The trade-mark as used however, differs solely in that the letters F and M have been slightly embellished. I am of the view that this deviation is minor; the dominant features of the mark have been retained to the extent that the deviation would not deceive or injure the public in any way and an unaware purchaser, in spite of the difference, would identify the goods as emanating from the same source [*Promafil Canada Ltée v. Munsingwear Inc.* (1992), 44 C.P.R. (3d) 59 (F.C.A.); *Canada (Registrar of Trade-marks) v. Cie International pour l'informatique CII Honeywell Bull* (1985), 4 C.P.R. (3d) 523 at 525 (F.C.A.)].

[21] The remaining issue then is whether the evidence shows that notice of association was provided between the Mark and the Wares at the time of transfer as required by s. 4 of the Act. In this regard, the Requesting Party argues that the placement of the Mark at the top left-hand corner of the invoices does not provide such notice. Further to this, the Requesting Party argues

that the products shown in the brochures in Exhibit “C”, do not correlate to the products listed on the invoices in Exhibit “B”.

[22] Notwithstanding any conclusion as to whether the placement of the Mark on the invoices provided the requisite notice of association pursuant to s. 4 of the Act, there is no evidence that the invoices accompanied the wares at their time of transfer. Consequently, the invoices cannot be considered as evidence that notice of association of the Mark was given (*Riches, McKenzie & Herbert v. Pepper King Ltd.* (2000), 8 C.P.R. (4th) 471 (F.C.T.D.)). However, bearing in mind the corroborative evidence as will be discussed below, the invoices support that there were sales of branded products during the relevant period in the normal course of trade (*Jagotec AG v. Riches, McKenzie & Herbert LLP* 2006 CarswellNat 4263 (F.C.)).

[23] With respect to the Requesting Party’s argument that there is no correlation between the brochures and the products sold in Canada, I agree with the Registrant that the sample product brochures were merely intended as representative of the manner in which the Mark is applied to the registered wares. These examples, taken together with Mr. Vitali’s sworn statement at paragraph 6 of the affidavit that the invoices reference sales of products bearing the Mark, are sufficient to satisfy me that the products sold, as listed on the invoices, bore the Mark in the manner shown by the brochures in Exhibit “C”. Contrary to the Requesting Party’s submissions, it is not necessary for the product codes appearing in the brochures to correlate with the product codes listed on the invoices. Consequently, bearing in mind that use must be shown, not examples of all uses (*Union Electric Supply Co. v. Registrar of Trade Marks* (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)), I am satisfied that the evidence shows that the requisite notice of association was provided pursuant to s. 4 of the Act.

[24] However, as previously indicated, there is neither reference on the invoices in Exhibit “B” or in the affidavit of the wares described as “plates for batteries” as being specifically identified on these invoices. Thus, insofar as these wares are concerned, there is nothing more than a bare statement of use of the type found unacceptable in *Plough supra*.

[25] In view of the above, I conclude that use has been shown of the Mark for the wares described as “*Battery jars, acidimeters for batteries, batteries, apparatus for recharging batteries, namely battery chargers and acid refilling equipment; grids for batteries, batteries for vehicles*”; use has not been shown in association with “*plates for batteries*” and there is no evidence of any special circumstances excusing the absence of use. Pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be amended to delete the following wares: “*plates for batteries*”, in compliance with the provisions of s. 45 of the Act.

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