



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

Citation: 2013 TMOB 49
Date of Decision: 2013-03-21

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Ridout & Maybee LLP against registration
No. TMA650,968 for the trade-mark OX & PALM in the
name of HJ Heinz Company Australia Ltd.**

[1] At the request of Ridout & Maybee LLP (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 August 25, 2010 to HJ Heinz Company Australia Ltd. (the Registrant), the registered owner of registration No. TMA650,968 for the trade-mark OX & PALM (the Mark).

[2] The Mark is registered for use in association with “*Meat and processed meats namely, corned meat and tinned meat*” (the Wares).

[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 services specified in 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 between August 25, 2007 and August 25, 2010 (the Relevant Period).

[4] The relevant definition of “use” is set out in section 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] It is settled law that evidentiary overkill is not required in order to properly reply to a section 45 notice [*Union Electric Supply Co Ltd v Registrar of Trade-marks* (1982), 63 CPR (2d) 56 (FCTD)]. The test that has to be met by a registrant under section 45 is not a heavy one. All the registrant has to do is establish a *prima facie* case of use [*Cinnabon, Inc v Yoo-Hoo of Florida Corp* (1998), 82 CPR (3d) 513 (FCA)]. However, sufficient facts must be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the registered wares and services during the relevant period.

[6] In response to the Registrar's notice, the Registrant filed affidavits of Robert Mangal, Dominic Levy, Marisa Hood, David Wooby, and Hugh Haslehust-Smith. Both parties filed written submissions and attended an oral hearing.

[7] Three of the above-noted affidavits, namely, the affidavits of Hugh Haslehust-Smith, Robert Mangal, and David Wooby, pertain to activities regarding the subject registration that commenced during the Relevant Period. More particularly, the affidavits of Mr. Mangal and Mr. Wooby relate to a transaction of the Wares bearing the Mark in Canada, wherein a Canadian customer ordered and paid for the Wares prior to the expiration of the Relevant Period, but received the Wares after the Relevant Period.

[8] The affidavit of Mr. Haslehust-Smith pertains to evidence surrounding the Registrant's efforts to supply OX & PALM branded products in Canada, arguably in support of special circumstances. However, as will be apparent from my decision, I do not see special circumstances as being a determinative issue in this case. Thus, I will not discuss Mr. Haslehust-Smith's affidavit further.

[9] The remaining affidavits pertain to post Relevant Period sales activities. Similarly, as I find this not to be a case where such evidence is relevant, I will also not discuss these affidavits further.

Affidavit of Robert Mangal

[10] In his affidavit, Mr. Mangal explains that he is the founder and co-owner of Mangal's Market & Co., LLC, commonly referred to as Mangal's Meat Distribution ("Mangal's"). He further attests that Mangal's is the distributor for the Registrant in the United States and Canada. Mr. Mangal explains that in 2008, the Registrant contacted him for Mangal's assistance in finding a potential importer in Canada and potential customers in Canada for its OX & PALM corned beef product. He states that all of Mangal's activities described in his affidavit to assist the Registrant in this regard were done on behalf of, and with the authority of the Registrant.

[11] Mr. Mangal's affidavit then details Mangal's discussions with potential Canadian importers, including T&T Supermarket and South Pacific Food Ltd. However, success in securing a customer in Canada was not reached until 2010, when Centennial Foodservice – Worldsource ("Centennial"), placed an order for 1,660 cartons of OX & PALM corned beef.

[12] Centennial's order, Mr. Mangal explains, was placed on the stationery of Multi-National Foods, a related company, to be shipped to yet another related company located in Calgary, Alberta. As evidence of this order, Mr. Mangal attaches a purchase order under Exhibit K to his affidavit. I note that the purchase order is dated June 7, 2010. With respect to its contents, Mr. Mangal states, "Although the Purchase Order does not explicitly identify OX & PALM corned beef, but simply "Canned Cornbeef 326 G AUST OX", I confirm that this purchase order was for Heinz's OX & PALM corned beef 326g...".

[13] Mr. Mangal further explains that on August 16, 2010, Mangal's issued an invoice to Centennial for the abovementioned order, a copy of which he attaches as Exhibit L to his affidavit. As indicated by Mr. Mangal, the invoice identifies the Registrant as the exporter/shipper of the OX & PALM product, with a description of the product invoiced as being "326G Ox & Palm Corned Beef With Juices". Mr. Mangal explains that his company received payment in excess of \$70,000 USD for the order from Centennial on August 19, 2010. In support, he attaches as Exhibit M to his affidavit, a copy of a wire transfer confirmation for Centennial's payment to Mangal's. Accordingly, I note that payment for the Wares was received prior to the expiry of the Relevant Period.

Affidavit of David Wooby

[14] Mr. Wooby's affidavit contains information that is consistent with and confirms the evidence of Mr. Mangal, as well as provides evidence showing how the Mark is applied to the Wares.

[15] Mr. Wooby, the Export Sales Manager-Pacific-International for the Registrant, explains that in the normal course of trade, the Wares are manufactured and packaged in Australia, and then purchased by Mangal's, the Registrant's distributor for the Wares in Canada. The Wares are then shipped to the Registrant's Canadian consignee, Centennial.

[16] In support and with respect to the aforementioned first order from June 2010, he provides a copy of a purchase order and invoice, reflecting an order by Mangal's in June, 2010 for 1,660 cartons of the Wares. In addition, he provides a copy of an interim report from the shipper of the Wares, a Canada Customs invoice, a copy of a bill of lading and a meat inspection certificate, all relating to the sale and shipment of the 1,660 cartons of the Wares. I note that all of the documentation clearly identifies the Registrant as the source of the Wares, with the ultimate purchaser identified as Centennial of Calgary, Alberta. Again, I note that all of this documentation is consistent with the evidence provided by Mr. Mangal.

[17] With respect to how the Mark was affixed to the Wares sold, Mr. Wooby confirms that the Wares sold in Canada are always clearly labeled with the Mark, and provides a sample label in support as Exhibit B. I note that the Mark clearly appears on the label.

[18] Lastly, Mr. Wooby attests that the Wares that were the subject of the above-noted transaction arrived in Vancouver on August 28, 2010. I find it reasonable to infer that Centennial would have received the Wares soon thereafter. In any event, I note that this is shortly after the expiration of the Relevant Period.

Review of Parties' Submissions and Analysis

[19] The Requesting Party argues that the Registrant did not use the Mark in association with the Wares *during the Relevant Period*. More particularly, the Requesting Party argues that in order for use to have occurred as of a certain date, among other things, there must be a transfer of

possession of the wares [citing as support *Hortilux Schreder BV v Iwasaki Electric Co Ltd*, 2010 TMOB 179 at paragraph 41]. In the present case, the Requesting Party argues that as “possession” of the Wares did not take place during the Relevant Period [“possession” defined as “actual possession” in *Manhattan Industries Inc v Princeton Manufacturing Ltd* (1971), 4 CPR (2d) 6 (FCTD)], use in accordance with section 4 of the Act did not occur during the Relevant Period. Moreover, the Requesting Party likens the present situation to one in which the parties involved have simply entered into an agreement or one in which an order was merely placed for the Wares during the Relevant Period; circumstances which alone are not considered to effect use on a given day without physical receipt of the goods in question [citing *Hortilux, supra* and *Bilson International Ltd v Cabot Corp* (1991), 36 CPR (3d) 92 (TMOB)].

[20] The Registrant on the other hand, likens the present circumstances to those in *Fetherstonhaugh & Co v ConAgra Foods, Inc* (2002), 23 CPR (4th) 49 (FCTD), where the Court found use of a trade-mark pursuant to section 4 of the Act within the relevant time period despite the fact that the trade-marked goods were delivered *after* the expiry of the relevant period. In *ConAgra*, as in the present case, an order for a substantial amount of trade-marked goods was placed and accepted prior to the expiry of the relevant time period, with delivery of the goods and fulfillment of the purchase occurring soon thereafter. Thus, the Registrant submits that the evidence establishes that, for the purposes of this proceeding, the Registrant used the Mark within the Relevant Period. I agree.

[21] I note that the decisions relied upon by the Requesting Party were with respect to establishing a date of first use for entitlement purposes or with respect to a ground of opposition based on section 30(b) of the Act. Section 45 proceedings, on the other hand, are intended to be simple, summary, and expeditious for the purpose of removing “deadwood” from the register. While I accept the Requesting Party’s submission that dates are no doubt highly relevant to such proceedings, based on the particular circumstances of this case, I do not think that it is appropriate to necessarily adopt the same stringent and technical approach with respect to the timing of use of a mark when contemplating expungement under section 45 of the Act.

[22] I also note that in addition to the *ConAgra* decision, there have been numerous section 45 cases where the acceptance of an order before the date of the section 45 notice, coupled with the

delivery of the wares thereafter constituted use [see for example *Bereskin & Parr v Almo-Dante Mfg (Canada) Ltd*, (December 9, 2009 TMOB (unreported), registration No. TMA566,705); *CPI – Centre de propriété intellectuelle/ IPC – Intellectual Property Centre v Nada Fashion Designs Inc* (2010), 86 CPR (4th) 310 (TMOB); *Ogilvy Renault LLP v Trade-Link Group* (2009), 83 CPR (4th) 475 (TMOB); and *Shapiro Cohen v JMAX Global Distributors Inc*, 2011 TMOB 36]. I would argue that the present case is even more compelling as Centennial, the Canadian customer, paid for the Wares prior to the expiry of the Relevant Period.

[23] I will also point out that the Wares were shipped from Australia almost one month before the expiry of the Relevant Period. Had the Wares originated in closer proximity to Canada, the question as to whether use took place within the Relevant Period would likely not have arisen.

[24] Lastly, the Requesting Party argues that there is no evidence, other than hearsay statements of Mr. Wooby, to show whether the shipment of the Wares was ever delivered to Centennial, or whether it was ever sold to other downstream businesses or consumers. However, I see nothing in the evidence that would suggest that the Wares were not shipped to Centennial. Furthermore, the Registrant is not required to show evidence of sales to end consumers. It has been established that a sale to a wholesaler or distributor can be a sale in the normal course of trade [*Philip Morris Inc v Imperial Tobacco Ltd et al* (1987), 13 CPR (3d) 289 (FCTD)] and that if any part of the chain takes place in Canada, it is considered to be use in Canada [*LIN Trading Co v CBM Kabushiki Kaisha* (1985), 21 CPR (3d) 417 (FCA)]. Consequently, I accept that the Registrant has shown use of its Mark for the purposes of section 45 of the Act.

Disposition

[25] Having regard to the aforementioned, pursuant to the authority delegated to me under section 63(3) of the Act, registration TMA650,968 will be maintained in compliance with the provisions of section 45 of the Act.

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