SECTION 45 PROCEEDINGS TRADE-MARK: MALTAX REGISTRATION NO.: 385,296

On January 21, 2002, at the request of Messrs. Smart & Biggar, the Registrar forwarded a Section 45 notice to Oy Lahden Polttimo AB, the registered owner of the above-referenced trademark registration.

The trade-mark MALTAX is registered for use in association with the following wares: malt extract.

Section 45 of the Trade-marks 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. The relevant period in this case is any time between January 21, 1999 and January 21, 2002.

In response to the notice, the affidavit of Mikko Maunula together with exhibits has been furnished. The registrant alone filed a written argument. An oral hearing has not been requested in this case.

Exhibit A to Mr. Maunula's affidavit demonstrates that the registrant's name was formally

changed on January 18, 2001 to "Polttimo Yhtiöt Oy" in Finnish and "Polttimo Companies Ltd." in English.

In his affidavit, Mr. Maunula, states that the registrant has used the trade-mark MALTAX in the ordinary course of its business and trade continuously since 1988 in Canada in association with malt extract. He explains that the registrant uses the trade-mark by applying it to labels affixed to the packaging for the wares. As Exhibits B and C he provides samples of labels affixed to the packaging for the malt extract offered for sale and sold in Canada in association with the trade-mark MALTAX during the relevant period. As Exhibit D, he provides invoices and shipping documents relating to sales of the wares in Canada within the relevant period.

Having considered the evidence I conclude that it shows sales of the wares in Canada during the relevant period. However, what the evidence shows is use of the trade-mark MALTAX with additional matter. Following is a reproduction of the labels affixed to the packaging for the wares:

I note that "MALTAX 200F" and MALTAX 1500" are typed in the same font, size, and colour.

Accordingly, the issue in this case is whether the use of "MALTAX 200F" and "MALTAX

1500" constitute use of MALTAX "per se".

The registrant has advanced no argument specifically regarding the use of the trade-mark

MALTAX with this additional material. Therefore, in considering the issue, I have been guided

by the Opposition decision in Nightingale Interloc Ltd. v. Prodesign Ltd., 2 C.P.R. (3d) 535 at

538-9, wherein Mr. Troicuk states as follows:

The jurisprudence relating to the question of what deviations in a trade mark are permissible is complicated and often contradictory but in my opinion it is best viewed as establishing two basic principles:

Principle 1

Use of a mark in combination with additional material constitutes use of the mark *per se* as a trade mark if the public, as a matter of first impression, would perceive the mark *per se* as being used as a trade mark. This is a question of fact dependent upon such factors as whether the mark stands out from the additional material, for example by the use of different lettering or sizing ... or whether the additional material would be perceived as purely descriptive matter or as a separate trade-mark or trade name ...

Principle 2

A particular trade mark will be considered as being used if the trade mark actually used is not substantially different and the deviations are not such as to deceive or injure the public in any way ... In general ... this principle would appear applicable only where the variations are very minor.

With regard to the first principle, the Federal Court of Appeal has addressed the issue of whether the use of the composite mark "CII HONEYWELL BULL" constituted use of the registered trade-mark BULL: *Registrar of Trade Marks* v. *CII Honeywell Bull, S.A.*, 4 C.P.R. (3d) 523. At

525, the Court stated:

That question must be answered in the negative unless the mark was used in such a way that the mark did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used.

With regard to the second principle, the Federal Court of Appeal has addressed the issue of minor modifications to a mark. In *Promafil Canada Ltée* v. *Munsingwear Inc.*, 44 C.P.R. (3d) 59, the registrant's mark was that of a penguin design. The court found that the use of a slightly modified version of that design mark constituted use of the registered mark. In reaching that conclusion, the court stated as follows:

Obviously, with every variation the owner of the trade mark is playing with fire. In the words of Maclean P., "the practice of departing from the precise form of a trade-mark as registered ... is very dangerous to the registrant". But cautious variations can be made without adverse consequences, if the same dominant features are maintained and the differences are so unimportant as not to mislead the unaware purchaser (at 71).

This case does not fall within the purview of the second principle. It is rather the first principle which should be applied and the first question to ask is whether the public would perceive the trade-mark "per se" as being used as a trade-mark.

In the case *Hughes Etigson* v. *Park Avenue Furniture Corp*. (1999), 4 C.P.R. (4th) 115 where the registered trade-mark POSTURE POCKET was used with additional material namely the roman numerals I and II and in the case *Kimberley-Clark Corp*. v. *Rolland Inc.*, (1989), 24 C.P.R. (3d) 481, where the registered trade-mark UV/ULTRA was used with the numeral II, the additional material was found to not offend the first principle in *Nightingale Interloc*. In these cases, it was

found that the public would likely perceive the numerals as designations identifying specific models of the wares or new versions of the initial product or the addition of another product to an existing product line.

Also, in the case *Consumer Electronics Corp.* v. *Radio Shack Division of Tandy Corp.* (2001), C.P.R. (4th) 390 at 393 use of NOVA in combination with the numerals 43, 405 and 417 was found to constitute use of NOVA "per se" as it was concluded that the additional matter i.e. the numerals, would probably be perceived as mere references to particular models of "NOVA" headphones.

In *Global Upholstery Co.* v. *Sealy Canada Ltd.* (1993), 52 C.P.R. (3d) 120, it was found that the use of the numbers 1000, 2000, 3000 and 4000 in combination with the mark MONOGRAM would probably be perceived as identifying the specific models of MONOGRAM mattresses/boxes sold by the registrant.

Similarly, in the present case I find that the use of the mark MALTAX in combination with the additional material constitutes use of the mark *per se.* Given that the evidence shows that the trade-mark MALTAX is sometimes being used with the numeral "1500" and other times with the expression "200F", I am of the view that the additional matter would probably be perceived as representing different formulations or different versions of the registrant's MALTAX malt extract. Consequently, I conclude that the additional matter would not be perceived as forming part of the trade-mark MALTAX.

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I am therefore satisfied that the use shown constitutes use of the present trade-mark within the relevant time period, and I conclude that the trade-mark MALTAX, Registration No. TMA 385,296 ought to be maintained.

Registration No. 385,296 will be maintained in compliance with the provisions of Section 45(5) of the Act.

DATED AT GATINEAU, QUEBEC, THIS 27TH DAY OF MAY 2004.

D Savard Senior Hearing Officer Section 45 Division