



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

Citation: 2011 TMOB 104
Date of Decision: 2011-06-28

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Sim & McBurney against registration
No. TMA518,404 for the trade-mark PARTS NOW! in
the name of Parts Now! LLC**

[1] On December 9, 2008, at the request of Sim & McBurney (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) to Parts Now! LLC, the registered owner (the Registrant) of registration No. TMA518,404 for the trade-mark PARTS NOW! (the Mark).

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

wares:

New and refurbished components and subassemblies for facsimile machines and printers.

services:

(1) Installation, maintenance and repair of printers and printer subassemblies; technical support for field installation, field maintenance, and field repair of printers and printer subassemblies.

(2) Arranging and conducting seminars, courses, and educational demonstrations regarding installation, maintenance, and repair of printers and printer subassemblies; providing educational information regarding installation, maintenance, and repair of printers and printer assemblies via printed bulletins and telecommunications.

(3) Distributorships in the field of printers, printer subassemblies, printer components, printer ink and toner, and printer operation and maintenance manuals sold as a unit therewith.

[3] Section 45 requires the registered owner of a trade-mark to show whether the trade-mark has been used in Canada in association with each of the wares and/or services listed 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 any time between December 9, 2005 and December 9, 2008 (the Relevant Period).

[4] What qualifies as use of a trade-mark is defined in s. 4 of the Act, which states:

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.

(2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

(3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.

In this case, s. 4(1) and 4(2) apply.

[5] It is well established that the purpose and scope of s. 45 of the Act is to provide a simple, summary and expeditious procedure for removing deadwood from the register. The onus on a registered owner under s. 45 is not a heavy one [*Austin Nichols & Co. v. Cinnabon, Inc.* (1998), 82 C.P.R. (3d) 513 (F.C.A.)]. Evidentiary overkill is not required [*Union Electric Supply Co. Ltd. v. Registrar of Trade-marks* (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)]. As stated by Mr. Justice Russell in *Uvex Toko Canada Ltd. v. Performance Apparel Corp.* (2004), 31 C.P.R. (4th) 270 (F.C.) at para. 58:

...We know that the purpose of s. 45 proceedings is to clean up the "dead wood" on the register. We know that the mere assertion by the owner that the trade mark is in use is not sufficient and that the owner must "show" how, when and where it is being used. We need sufficient evidence to be able to form an opinion under s. 45 and apply that provision. At the same time, we need to maintain a sense of proportion and avoid evidentiary overkill. We also know that the type of evidence required will vary

somewhat from case to case, depending upon a range of factors such as the trade mark owners business and merchandising practices.

[6] In response to the Registrar's notice, the Registrant furnished the affidavit of Patrick Beaudin. Only the Registrant filed written submissions, but both parties were represented at an oral hearing.

[7] Mr. Beaudin is the General Manager of Parts Now! ULC (Parts Now! Canada), a wholly owned subsidiary of Parts Now! Holding Company, which is a wholly owned subsidiary of the Registrant. He attests that Parts Now! Canada was at all material times a distributor of the Registrant and a licensed user of the Mark in Canada.

[8] Mr. Beaudin tells us that the Registrant was created in Wisconsin in 1989 as a provider of spare parts for printers but has expanded over the years "to include manufacturing and repair of parts such as fuser rebuilding and circuit board repair."

[9] Mr. Beaudin attests that the Registrant and Parts Now! Canada offered the following goods and services in Canada during the Relevant Period: printer components and subassemblies; exchange, repair and/or purchase of printer parts; technical support; educational services; educational information; and distributorship services. In addition, he attests that the Mark has been used to identify the full range of new and refurbished printer parts and related repair, technical support and distributorship services in Canada continuously (since 1989 with respect to wares and since 1993 with respect to services).

[10] Mr. Beaudin also provides more detailed information concerning the wares and services that have been offered during the Relevant Period in Canada. I will discuss this information broken down by the categories of wares/services set out in the registration. I note that annual Canadian sales figures have been provided for each of the years 2005 through 2008.

new and refurbished components and subassemblies for facsimile machines and printers

- Typically orders for Canadian customers are sent directly from Parts Now! Canada's Quebec or British Columbia locations. Mr. Beaudin attests that parts are typically shipped in packaging with the Mark clearly marked on it and with product literature featuring the Mark. He does not provide representative packaging but he does provide a maintenance

kit sheet, Warranty and Return Policies sheet and Toner Warranty that were distributed to customers in Canada with their orders during the Relevant Period (see Exhibits B and E-1). Each of these printed materials display the Mark.

- Mr. Beaudin provides a sampling of invoices to Canadian addresses dated during the Relevant Period as Exhibit F. The invoices display the Mark and Mr. Beaudin attests that the invoices were distributed with the ordered parts.
- The Registrant's agent has admitted that there is no reference to facsimile machines in the evidence. As the requirements of s. 45 have not been met with respect to "facsimile machines", those wares will be deleted from the registration.

installation, maintenance and repair of printers and printer subassemblies

- Mr. Beaudin attests that the exchange and repair of printer parts took place during the Relevant Period in Canada. The related Warranty and Return Policies displayed the Mark and indicated that the warranty is from the Registrant.
- However, as admitted by the Registrant's agent, there is no reference in the evidence to the Registrant installing printers or printer assemblies. As the requirements of s. 45 have not been met with respect to "installation", that specific service will be deleted from the registration.

technical support for field installation, field maintenance, and field repair of printers and printer subassemblies

- Mr. Beaudin explains that Parts Now! Canada's customer service representatives answer technical support questions from Canadian customers who are undertaking field installation, field maintenance, and field repair of printers and printer assemblies and that if the customer service representative is not able to answer the customer's question, the customer is referred to the Registrant's technical support department. In addition, the Registrant's website and printed publications, which display the Mark, provide various technical advice.

arranging and conducting seminars, courses, and educational demonstrations regarding installation, maintenance, and repair of printers and printer subassemblies; providing educational information regarding installation, maintenance, and repair of printers and printer assemblies via printed bulletins and telecommunications

- The Registrant offers on-line courses to Canadian customers on topics related to the installation, maintenance, and repair of printers and printer assemblies. It also provides printed bulletins and on-line publications. [See Exhibits C, D, E-2, E-3, E-4 and E-8.] In addition, brochures promoting the training and instruction courses have been distributed in Canada [Exhibit E-5]. All of these materials display the Mark.

distributorships in the field of printers, printer subassemblies, printer components, printer ink and toner, and printer operation and maintenance manuals sold as a unit therewith

- Mr. Beaudin takes the position that the Registrant provides the registered “distributorships services” by shipping its products and providing support services to Parts Now! Product distributors in Canada. The Registrant’s agent agreed that these registered services have been awkwardly worded but took the position that since the Registrant was selling its wares through a distributor in Canada during the Relevant Period, such services were being performed.

[11] The Registrant’s agent has submitted that the Mark is clearly not deadwood and I agree. In addition, he has submitted that the Registrant’s business is somewhat atypical in that it deals in refurbished products, with the result that the nature of its use of its Mark in association with wares is somewhat different from that of a vendor of new goods. He referred me to one reported s. 45 case concerning refurbished wares, namely *Dominion Automotive Group Inc. v. Firebolt Engine Installation Centres Inc.* (1998), 86 C.P.R. (3d) 403. In that case, the Senior Hearing Officer recognized the difficulty of applying a trade-mark to refurbished engines and accepted that the association required by s. 4 had been met by other means. In particular, the Senior Hearing Officer stated, at paragraph 22:

...“remanufactured engines” are special types of wares, that is they are not the general type of wares that would be sold with a label bearing the trade-mark. Similarly, I am

satisfied that the evidence shows that the customer would have seen the trade-mark prior to and after the sale and installation of the remanufactured engine. Further, I find an argument can be made that the use of the trade-mark is use with wares i.e. to distinguish the registrant's "remanufactured engines" from engines that have been remanufactured by others.

[12] The foregoing decision also reproduced the following applicable extract from p. 59-60 of *Canadian Law of Trade Marks and Unfair Competition* 3rd ed. (1972):

...it is not essential that the trade mark be actually attached to the wares themselves or that it be placed on the packages in which they are distributed. That, of course, constitutes good trade mark use, but it is also sufficient if the trade mark is in any other manner so associated with the wares that notice of the association is given to the person to whom the property in or possession of the wares is transferred. Any of these acts must, by definition, take place at the time of the transfer of the property in or the possession of the wares or there is not adequate trade mark use...

There is no reason for supposing that use in advertising, circulars, pamphlets, etc. will not constitute use of the trade mark within the meaning of the section, if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, the trade mark 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...

...so long as the use of the mark is so associated with the wares as to give the notice specified in the section, it is suggested that it is immaterial whether the trade mark appears on the wares themselves, on their wrappers or containers, or is associated with them on show cards, display units, or delivery vans, or in price lists, circulars or advertisements.

[13] In the circumstances of the present case, I am satisfied that the appearance of the Mark on items such as warranties, publications in the nature of catalogues, and invoices sufficed to give the association required by s. 4.

[14] Insofar as the services are concerned, I note that services are generally granted a generous or broad interpretation [*Aird & Berlis v. Virgin Enterprises Ltd.* (2009), 78 C.P.R. (4th) 306 (T.M.O.B.); *Société Nationale des Chemins de Fer Français SNCF v. Venice Simplon-Orient-Express Inc. et al.* (2000), 9 C.P.R. (4th) 443 (F.C.T.D.)] and that statements of services may contain overlapping or redundant terms, in that the advertising of one service may imply the advertising of another [*Gowling Lafleur Henderson LLP v. Key Publishers Company Ltd.* 2010

CarswellNat 579 (T.M.O.B)]. In addition, services may be incidental or ancillary to the sale of wares [*Gesco Industries Inc. v. Sim & McBurney* (2000), 9 C.P.R. (4th) 480 (F.C.A.); *Kraft Ltd. v. Canada (Registrar of Trade Marks)* (1984), 1 C.P.R. (3d) 457 (F.C.T.D.)].

[15] I also note that it does not matter if the services were performed in Canada during the Relevant Period; applying the reasoning in *Wenward (Canada) Ltd. v. Dynaturf Co.* (1976), 28 C.P.R. (2d) 20, the fact that the services were offered to prospective customers in Canada and were available to be performed in Canada satisfies the requirements of s. 4(2) of the Act.

[16] At the oral hearing, the Requesting Party focussed its submissions on five issues: i) licensing of the Mark; ii) perceived deficiencies in the affidavit; iii) the normal course of trade; iv) deviations in use of the Mark; and v) use of PARTS NOW! as a trade-name. My brief comments in response are:

- i) The Requesting Party has submitted that the use shown does not accrue to the benefit of the Registrant pursuant to s. 50 as there is no evidence that the Registrant controls the character or quality of the wares/services provided under the license. I agree that corporate structure alone is insufficient to satisfy s. 50 [see *MCI Communications Corp. v. MCI Multinet Communications Inc.* (1995), 61 C.P.R. (3d) 245 (T.M.O.B.)], but the Registrant need not satisfy the requirements of s. 50 in this case because Parts Now! Canada merely distributed the wares and the Registrant itself offered/performed the services.
- ii) It is to be remembered that the evidence is to be read as a whole and, given the purpose of s. 45 proceedings, somewhat generously.
- iii) It is not necessary for an affiant to make an affirmative statement as to what comprises its normal course of trade. The evidence as a whole here is sufficient for me to understand the Registrant's normal course of trade and to find that the sales attested to were in the Registrant's normal course of trade.

- iv) When the Mark appears in combination with other words, PARTS NOW! appears sufficiently different from the other components to set it apart and to qualify as use of the Mark [see *Nightingale Interloc Ltd. v. Prodesign Ltd.* (1984), 2 C.P.R. (3d) 535 (T.M.O.B.)].
- v) While the words Parts Now! are sometimes used as a trade-name, there is also evidence of their use as a trade-mark.

Disposition

[17] Pursuant to the authority delegated to me under s. 63(3) of the Act, in compliance with the provisions of s. 45 of the Act, the registration will be restricted to the following wares and services:

wares:

New and refurbished components and subassemblies for printers.

services:

(1) Maintenance and repair of printers and printer subassemblies; technical support for field installation, field maintenance, and field repair of printers and printer subassemblies.

(2) Arranging and conducting seminars, courses, and educational demonstrations regarding installation, maintenance, and repair of printers and printer subassemblies; providing educational information regarding installation, maintenance, and repair of printers and printer assemblies via printed bulletins and telecommunications.

(3) Distributorships in the field of printers, printer subassemblies, printer components, printer ink and toner, and printer operation and maintenance manuals sold as a unit therewith.

Jill W. Bradbury
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office