SECTION 45 PROCEEDINGS TRADE-MARK: EXPRESS SHINE <u>REGISTRATION NO.: 415,076</u>

On January 18, 2001, at the request of Messrs Baker & McKenzie, the Registrar forwarded a Section 45 notice to Ziebart International Corporation, the registered owner of the above-referenced trade-mark registration.

The trade-mark EXPRESS SHINE is registered for use in association with the following services: "while- you-wait automotive exterior wash and wax service".

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 18, 1998 and January 18, 2001.

In response to the notice, the affidavit of John R. Lynch together with exhibits has been furnished. Neither party filed a written argument. An oral hearing has not been requested in this case.

In his affidavit, Mr. Lynch states that he is Vice-President and Chief Operating Officer of the

registrant company and that the facts stated in his affidavit are based on his personal knowledge and knowledge obtained in the course of his employment. He indicated that since the time the registrant filed the trade-mark application, the mark has been in continuous use in Canada by the registrant's franchisees. He explains that the EXPRESS SHINE service identifies an automobile detailing service that is available to Ziebart's customers and that the service includes the washing and waxing of the customer's vehicle and is performed while the customer waits for the service to be completed. He adds that the service sells for approximately CAN \$69.95.

He specifies that he has been informed by the registrant's franchisees and do believe that the franchisees located in Cambridge, Ontario and Woodstock, Ontario are currently offering the services under the trade-mark. As Exhibit A, he furnishes a copy of the franchise agreement (license agreement) with the Cambridge location. As Exhibit B he provides two photographs of signage at the Cambridge location showing the trade-mark EXPRESS SHINE. As Exhibit C, he attaches a photocopy of a brochure showing the EXPRESS SHINE mark that the registrant received from the Cambridge franchisee. As Exhibit D, he provides a copy of the brochure he received from the Woodstock franchisee. He states that he has been informed by Jim Downing (the Woodstock franchisee) and do believe that the Woodstock franchisee ordered 5000 copies of this brochure in or about July 1999 and that a small amount of these brochures remain in stock, whereas the rest have been distributed to customers. He explains that neither the registrant nor the Canadian franchisees retain sales records specifically identifying services performed under the EXPRESS SHINE mark.

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Nevertheless, he states that he has been informed by Roy Hurnanen (the Cambridge franchisee) and Jim Downing and do believe that the Woodstock and Cambridge franchisees estimate that each rendered approximately 15-20 EXPRESS SHINE services in the year 2000 for a total of approximately \$3000 in sales between the two of them. Both stores estimate that the years of 1998 and 1999 were significantly higher.

Having considered the evidence furnished, I am prepared to conclude that it is sufficient to show use of the trade-mark EXPRESS SHINE in association with the registered services during the relevant period.

The evidence shows that the trade-mark is being used in association with the registered services by two franchisees who have been licensed with the authority of the registrant to use the trademark in association with the services. From the license agreement enclosed as Exhibit A to the affidavit, it is clear that the licensee is granted the right to use several trade-marks including the present registered trade-mark and that the owner has indirect control (i.e. through Ziebart Canada Inc.) of the character or quality of the services provided by the licensee (see paragraphs 6, 7, 9, 10, 11, 15 of the license agreement). Further, it is clear from Exhibit B (item 1) attached to the license agreement, that the franchisee must offer the EXPRESS SHINE services.

From exhibit B attached to the affidavit, it appears the trade-mark is displayed on signage where the services are being performed at the franchisees' locations. The trade-mark is also used in the advertising of the services as it is displayed in brochures, which brochures were distributed to customers during the relevant period.

Concerning the performance of the services, Mr. Lynch relies on information he received from the two franchisees which information he believes is true. The franchisees estimate that each rendered approximately 15-20 EXPRESS SHINE services in the year 2000 for a total of approximately \$3000 in sales between the two of them. As Mr. Lynch has indicated that the facts in his affidavit are true based on his personal knowledge and knowledge obtained in the course of his employment, and as the requesting party has not raised any objection concerning the admissibility of the evidence furnished, I accept it as sufficient for purposes of Section 45 of the Act as I have no reason to question its reliability. Accordingly, I conclude that as it appears the services were advertised and performed during the relevant period in association with the trademark pursuant to Section 4(2) of the Trade-marks Act, the trade-mark registration ought to be maintained.

Registration No. 415,076 will be maintained in compliance with the provisions of Section 45(5) of the Act.

DATED AT GATINEAU, QUEBEC, THIS 29TH DAY OF JANUARY 2004.

D Savard Senior Hearing Officer Section 45 Division