



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

Citation: 2010 TMOB 76
Date of Decision: 2010-05-27

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by BILLY BOB'S JERKY INC. against
registration No. TMA402,842 for the trade-mark BILLY
BOB'S in the name of TRITAP FOOD BROKER, A
DIVISION OF 676166 ONTARIO LIMITED**

[1] At the request of Billy Bob's Jerky Inc. (the Requesting Party), the Registrar forwarded a notice under section 45 of the *Trade-marks Act* R.S.C. 1985, c. T-13 (the Act) on October 25, 2007 to Tritap Food Broker, a division of 676166 Ontario Limited (the Registrant), the registered owner of registration No. TMA402,842 for the trade-mark BILLY BOB's (the Mark).

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

- (1) Barbeque sauce.
- (2) Packaged main meal mixes containing a pasta, rice or vegetable base, or combination thereof, rice and rice mixes, and stuffing mixes.
- (3) Condiments, namely, mustard and ketchup, salad dressing, packaged sauce mixes in both liquid and powder form, mashed potato mixes, and non-alcoholic beer.

[3] Section 45 of the Act requires the registered owner to show whether the trade-mark has been used in Canada in association with each of the wares and/or 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 such use since that date. In this case, the relevant period for showing use is between October 25, 2004 and October 25, 2007 (the Relevant Period).

[4] What qualifies as use of a trade-mark in association with wares is defined in s. 4(1) and (3) of the Act:

4. (1) A trade-mark is deemed to have been 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 or the association is then given to the person to whom the property or possession is transferred.

[...]

(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 association with those wares.

In this case, s. 4(1) applies.

[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 marks from the register which have fallen into disuse. As such, the evidentiary threshold that the registered owner must meet for establishing use is quite low. Mr. Justice Russell, after reviewing the pertinent jurisprudence on s. 45 proceedings stated the following in *Performance Apparel Corp. v. Uvex Toko Canada Ltd.* (2004), 31 C.P.R. (4th) 270 (F.C.):

So what guidance can be gleaned from these authorities and statements of basic principle that can be applied in the present case? 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 Joel Usher, sworn on April 25, 2008. Each party filed a written argument; an oral hearing was not requested.

[7] In his affidavit, Mr. Usher states that he is the Secretary of 676166 Ontario Limited and the General Manager of U-Buy Discount Foods Limited (U-Buy), and that he has held these

positions since 1986 and 1979 respectively. He states that the information referred to in his affidavit is either known to him personally or was obtained from company records, to which he has access.

[8] Mr. Usher states that the Mark was used in Canada by the Registrant during the Relevant Period in association with *packaged main meal mixes containing a pasta, rice or vegetable base, or combination thereof, rice and rice mixes and stuffing mixes; condiments, namely mustard and ketchup, packaged sauce mixes in both liquid and powder form, and mashed potato mixes* (the Food Items).

[9] With respect to the manner in which the trade-mark was associated with the wares, Mr. Usher states that the Mark was used in Canada by the Registrant on labels for all of the Food Items. In support of this statement, he attaches as Exhibit A colour photographs of the front and back of two bottles of Hot Sauce and Jalapeno Pepper Sauce, which he states are identical to those sold in Canada during the Relevant Period and are representative of the way the Mark appeared during the Relevant Period (and continues to appear) on all of the Food Items. I note that the Mark, albeit with a hyphen between the words BILLY and BOB'S, appears clearly on the front of the labels affixed to the bottles. I am satisfied that the use shown constitutes use of the registered trade-mark.

[10] Mr. Usher further provides that during the Relevant Period and in the normal course of trade, the Registrant sold all the Food Items in packaging bearing the Mark as depicted in Exhibit A directly to or through distributors to Canadian retail stores. With regard to evidence of sales, Mr. Usher provides, as Exhibit B, copies of invoices, which he explains are representative of invoices issued for the Food Items sold in Canada in association with the Mark during the Relevant Period and continuously to date (i.e. the date of the signing of the affidavit). Of the twelve invoices provided, only six are relevant as they are the only invoices dated during the Relevant Period.

[11] The six relevant invoices appear to have been issued by WORLDWIDE DISTRIBUTORS (DIVISION OF U-BUY DISCOUNT FOOD LTD.), to customers in Canada, for sales of "BILLY BOB HOT SAUCE (BOTTLE) 24" and "BILLY BOB JALAPENO 24X170ML". Mr. Usher explains in his affidavit that U-Buy is a related company to the

Registrant, incorporated under the laws of Ontario, which sells products displaying the Mark, among others, and carries on the business of grocery sales under the registered business name WORLDWIDE FOOD DIST.

[12] The Requesting Party argues that the use of the trade-mark is not use by the registered owner or use accruing to the registered owner. It submits that the invoices furnished are from U-Buy, not the Registrant, and that as the affidavit does not establish what relationship exists between the Registrant and U-Buy – particularly, whether U-Buy is a subsidiary, licensee, distributor, or otherwise related to the Registrant – that any use demonstrated by U-Buy cannot accrue to the Registrant.

[13] The Registrant made no argument that U-Buy should be considered a licensee. Rather it submitted that the sales by U-Buy constitute use by the Registrant since it is clear from the affidavit that U-Buy is a distributor that sells the Registrant’s branded products. In this regard it notes that the Registrant’s name appears on the products shown in Exhibit A.

[14] Having considered the evidence as a whole, I am prepared to infer from Mr. Usher’s sworn statements that U-Buy was acting as the Registrant’s distributor and selling the Registrant’s products to Canadian retail stores in the normal course of trade. In this respect, I find it reasonable to accept that U-Buy’s trade name “Worldwide Distributors” indicates the nature of its business. As such, I am prepared to find that U-Buy is merely a “conduit” from the Registrant to the retailer and ultimately to the consumer (see *Manhattan Industries Inc. v. Princeton Manufacturing Ltd.* (1971), 4 C.P.R. (2d) 6 (F.C.T.D.)). Accordingly I am satisfied that the use shown is use by the Registrant.

[15] The Requesting Party questioned the fact that no sample invoices were furnished to evidence sales from the Registrant to U-Buy. However, copies of invoices are not required in order to demonstrate sales in proceedings of this type (see *Lewis Thomson & Sons Ltd. v. Rogers, Bereskin & Parr* (1988), 21 C.P.R. (3d) 483 (F.C.T.D.)). As outlined above, I am satisfied from the sum of the evidence that the Registrant is the first link in the chain of transactions, supporting the conclusion that the use shown is by the Registrant.

[16] Concerning the use shown, I am satisfied that the evidence shows that the Mark was used in Canada in association with each of the Food Items during the Relevant Period. While it is true that direct evidence or documentary proof of use of the Mark regarding each of the Food Items has not been furnished, it is well-established that a Registrant does not need to provide examples of all uses (*Union Electric Supply Co. Ltd. v. Registrar of Trade Marks* (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)). In this case, there is considerably more than a bare assertion of use of the sort found unacceptable by the Court of Appeal in *Plough (Canada) Ltd. v. Aerosol Fillers Inc.* (1980), 53 C.P.R. (2d) 62. Particularly, in this case, the trade-mark can be clearly seen on the labels in Exhibit A to Mr. Usher's affidavit, which he states are representative of the manner in which the Mark has been used in association with all of the Food Items during the Relevant Period. Mr. Usher also states in his affidavit that the invoices in Exhibit B are representative of sales of all of the Food Items, and as such do not represent the only transactions that were made during the Relevant Period.

[17] I consider that Mr. Usher's sworn statements, read in conjunction with the evidence attached as exhibits to his affidavit, and taking into consideration the purpose and intent of s.45, constitute sufficient proof that during the Relevant Period, the Mark was used in association with each of the Food Items in Canada.

[18] The Requesting Party also suggests that I should not find use of the Mark because the evidence provided by the Registrant demonstrates only sporadic (often several months apart) and a minimal quantity (shipments of only 1 or 2 units per invoice) of sales during the Relevant Period. It also points out that the Registrant did not give any sales figures for total sales during the Relevant Period. The Requesting Party argues that these facts suggest that the sales demonstrated in Mr. Usher's affidavit are merely token sales.

[19] However, in the context of these proceedings, information such as total sales figures is not mandatory (*Lewis, supra*) and evidence of a single sale may well be sufficient to establish use of the trade-mark (*Philip Morris Inc. v. Imperial Tobacco Ltd.* (1987), 13 C.P.R. (3d) 289 (F.C.T.D.)). The act does not impose any requirement for repeated, regular or continuous use. In the present case, as the invoices show sales of the products to a variety of retailers over several

months within the Relevant Period, I find the Requesting Party's submissions related to its argument that these sales were token to be without merit.

[20] Altogether, I find that use of the Mark has been shown in association with the Food Items in Canada during the Relevant Period and that such use was in the normal course of trade.

[21] Concerning the wares in the registration other than those referred to herein as the Food Items, namely "barbeque sauce", "salad dressing" and "non-alcoholic beer" (the Remaining Wares), the Requesting Party submits that since the affidavit is silent with respect to the use of the Mark in association these wares, they ought to be deleted from the registration. The Registrant, on the other hand, argues that the invoices provided are sufficient to maintain the Remaining Wares, as all of the wares covered by the registration belong to the same category and are clearly related. In support of this proposition, it relied on the cases of *Countryside Cannery Co. Ltd. v. Registrar of Trade Marks* (1981), 55 C.P.R. (2d) 25 (F.C.T.D.) and *Saks & Co. v. Registrar of Trade Marks* (1989), 24 C.P.R. (3d) 49 (F.C.T.D.) [*Saks*].

[22] In my view the *Saks* decision does not apply in the present circumstances. Unlike the situation in the *Saks* case where there was a clear statement of use on all of the wares within each category and use for at least one ware in each category was supported with documentary evidence, in the subject proceeding the affidavit is silent as to the Remaining Wares. That is to say, no assertion of use is made with "barbeque sauce", "salad dressing" or "non-alcoholic beer". Furthermore, in *Saks* the inference of use was made, in part because it was found that requiring specific demonstrations of use of each and every ware (28 distinct categories of wares and services) would have placed an unreasonable burden on the registrant. In the present case, the registration comprises a relatively short list of wares, and the requirement to demonstrate use with each of these wares would not have placed an unreasonable burden on the Registrant.

[23] In *Countryside Cannery Co.*, the Court's decision to uphold a registration for canned fruit for the registrant's sale of canned tomatoes was based on the Judge's determination that canned fruit and canned vegetables are "analogous" products in popular usage. I do not consider that "salad dressing" and "non-alcoholic beer" are so analogous with the wares for which use has been shown that the use established in association with the Food Items can be considered to be use with these Remaining Wares. Although "barbeque sauce" is arguably analogous to

condiments and sauces for which use has been demonstrated (hot sauce and jalapeno pepper sauce), since no actual assertion of use was made with “barbeque sauce” I am not prepared to consider this issue. The affidavit is silent as to these wares and I therefore must conclude that there was no use with “barbeque sauce” during the Relevant Period.

[24] Accordingly, as I am not satisfied that sufficient facts have been provided to support the conclusion that the trade-mark was used in association with the Remaining Wares, and as there is no evidence of any special circumstances excusing the absence of use, I find that “barbeque sauce”, “salad dressing” and “non-alcoholic beer” should be deleted from the registration.

[25] Based on the evidence furnished, I am satisfied that there was use of the Mark within the meaning of s. 45 and 4(1) of the Act in association with the wares “packaged main meal mixes containing a pasta, rice or vegetable base, or combination thereof, rice and rice mixes and stuffing mixes, condiments, namely mustard and ketchup, packaged sauce mixes in both liquid and powder form, and mashed potato mixes.”

[26] Accordingly, and pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be amended to delete:

- (1) Barbeque sauce.
- (3) [...] salad dressing, [...] and non-alcoholic beer.

in compliance with the provisions of s. 45 of the Act.

DATED AT GAINEAU, QUEBEC THIS 27TH DAY OF MAY 2010.

P. Heidi Sprung
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office