



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

**Citation: 2015 TMOB 213
Date of Decision: 2015-11-30**

IN THE MATTER OF A SECTION 45 PROCEEDING

Gowling Lafleur Henderson LLP **Requesting Party**

and

San Miguel Corporation **Registered Owner**

TMA694,748 for SUNCATCH **Registration**

[1] At the request of Gowling Lafleur Henderson 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 June 4, 2012 to San Miguel Corporation (the Owner) the registered owner of registration No. TMA694,748 for the trade-mark SUNCATCH (the Mark).

[2] The Mark is registered in association with “Juices”.

[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 the goods 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 June 4, 2009 and June 4, 2012.

[4] The relevant definition of “use” in association with goods is set out in section 4(1) of the Act:

4(1) A trade-mark is deemed to be used in association with goods if, at the time of the transfer of the property in or possession of the goods, in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed or it is in any other manner so associated with the goods that notice of the association is then given to the person to whom the property or possession is transferred.

[5] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary and expeditious procedure for removing “deadwood” from the register and, as such, the evidentiary threshold that the registered owner must meet is quite low [*Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270].

[6] In response to the Registrar’s notice, the Owner filed the affidavit of Lorenzo Manabat, sworn on January 3, 2013 in the Phillipines. Only the Requesting Party submitted written representations; an oral hearing was not held.

The Owner’s Evidence

[7] In his affidavit, Mr. Manabat identifies himself as the Export Manager of Ginebra San Miguel Inc. (GSMI), a subsidiary of the Owner and an authorized user of the Mark. He explains that both the Owner and GSMI are corporations located in the Phillipines, and that the Owner is the Phillipines’ largest beverage, food and packaging company. Mr. Manabat attests that the Owner and GSMI’s manufacturing and distribution operations extend beyond the Phillipines, as they export their products to international markets, including to Canada. In this respect, Mr. Manabat attests that a variety of non-alcoholic beverages are available internationally through the Owner’s exports website.

[8] In particular, Mr. Manabat attests that, since 2009, GSMI has been exporting non-alcoholic beverages to Gardena Food Corporation, located in Ontario. As described below, he provides evidence of one such shipment in September/October 2009.

[9] Attached to Mr. Manabat’s affidavit are the following exhibits:

- Exhibit A and B consist of printouts from the Owner’s exports website, www.sanmiguelexports.com. Exhibit A consists of the website’s home page and generally describes the Owner’s business. Mr. Manabat attests that the Exhibit B

printouts list the “non-alcoholic beverages that bear the trademark SUNCATCH (the “Trademarked Wares”) and are available internationally through the exports website”. I note that “Suncatch Mango Juice Drink” and “Suncatch Calamansi Juice Drink” are listed and described next to pictures of what appears to be the packaging of each beverage. The Mark is displayed on the packaging.

The website’s copyright notice refers to “San Miguel Integrated Global Sales”, which is also the name displayed in the banner at the top of each webpage.

- Exhibit C is a packing list that Mr. Manabat attests evidences the shipment of SUNCATCH beverages from the Owner to Gardena in Canada. The goods are described as “SunCatch Tropical Fruit Drink – Calamansi” and “SunCatch Tropical Fruit Drink – Mango”. The description indicates that it is for the shipment of over 1000 cases, including the shipment of hundreds of cases of each flavor in 250 millilitre and 1 litre container sizes. I note that at the bottom of the document, it states “ETA – ONTARIO: October 2009”, which is within the relevant period.
- Exhibit D is a remittance for a wire transfer payment received by GSMI from Gardena dated September 18, 2009.
- Exhibit E is an Export Declaration document from the Phillipines dated September 19, 2009. As attested by Mr. Manabat, the document indicates Gardena as the importer of “SunCatch Tropical Drinks” from the Phillipines to Toronto.
- Exhibit F is a Certificate of Origin dated September 20, 2009 that Mr. Manabat attests shows GSMI as the Exporter of the “SunCatch Tropical Fruit Drinks” and Gardena as the Importer. I note that the description of the goods, including the indicated quantities, is consistent with the Exhibit C packing list.
- Exhibit G is a Bill of Lading dated September 20, 2009. As attested by Mr. Manabat, the document evidences shipment of the beverages to Gardena in Toronto, Ontario.
- Exhibit H is an invoice issued by GSMI to Gardena dated October 6, 2009 for the “SUNCATCH Tropical Fruit Drinks” as described in the aforementioned shipping

documents. Consistent with Exhibit C, the invoice indicates payment was made before shipment.

Analysis

[10] To summarize its written representations, the Requesting Party submits that the Owner has failed to demonstrate use of the Mark within the meaning of section 4(1) of the Act because the Owner has not demonstrated use of the Mark (i) by display on the goods or its packaging; (ii) through the exports website; or (iii) via the evidenced invoices and related documents. In the alternative, the Requesting Party submits that any use of the Mark was unlicensed use by GSMI or the operator of the exports website.

Licensing

[11] With respect to the issue of licensing, the Requesting Party submits that, pursuant to section 50 of the Act, where a registered owner seeks to rely on a licensee's use of the trade-mark, the owner must show that the use was authorized, and that the character or quality of the goods was under the owner's control. It submits that the mere fact that a trade-mark is used by a wholly owned subsidiary is insufficient to meet those requirements, citing jurisprudence which states that corporate structure alone does not establish the existence of a licensing agreement [for example, *Flanders Fliters Inc v Trade Mark Reflections*, 2006 FC 145, 48 CPR (4th) 269].

[12] I would first note that it is not clear that the Owner is actually relying on any "use" of the Mark by GSMI. While Mr. Manabat refers to GSMI as the "authorized user of the Mark" and GSMI is clearly the exporter of the goods from the Phillipines, Mr. Manabat's statements would indicate that the Owner is the source of the goods. For example, he refers to the shipment as being from the Owner (rather than GSMI) to Gardena. Although Mr. Manabat refers elsewhere in his affidavit to the shipment as being from GSMI, these statements are not inconsistent, as GSMI is the exporter. The conclusion that the Owner is the source of the goods is supported by the description of the Owner's business appearing in the Exhibit A webpage. Furthermore, as discussed below, I am satisfied that the Mark appeared on the packaging of the goods shipped.

[13] It is well established that the concept of the “normal course of trade” recognizes a continuity of actions that commence with the owner through intervening transactions by agents or distributors to the ultimate consumer. As such, evidence of the Owner’s goods bearing the Mark distributed and sold through another entity – in this case, GSMI – can be sufficient to satisfy the requirements of section 4 [per *Manhattan Industries Inc v Princeton Manufacturing Ltd* (1971), 4 CPR (2d) 6 (FCTD)] In which case, evidence of a licensing agreement between the Owner and its distributor GSMI is neither necessary nor applicable.

[14] Unfortunately, the Owner did not file any written representations in response to the Requesting Party’s submissions on this point. However, to the extent that there is ambiguity in Mr. Manabat’s affidavit as to whether the goods originated from the Owner or GSMI, I ultimately do not consider this ambiguity fatal to the Owner. As stated by the Federal Court, there are three main methods by which a trade-mark owner can demonstrate the requisite control pursuant to section 50(1) of the Act: first, by clearly attesting to the fact that it exerts the requisite control; second, by providing evidence demonstrating that it exerts the requisite control; or third, by providing a copy of the license agreement that provides for the requisite control [see *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248 at paragraph 84].

[15] This is not a case where the only evidence of control is “corporate structure”. In his affidavit, Mr. Manabat identifies GSMI as a subsidiary of the Owner and as an “authorized user” of the Mark. Further, his statements refer to the manufacturing and distribution operations of the Owner and GSMI together. With respect to the exports website, I consider it reasonable to infer that “San Miguel Integrated Global Sales” is a trading name of the Owner. Accordingly, in view of the evidence as a whole, I am satisfied that the Owner has provided sufficient evidence demonstrating that it maintained any requisite control pursuant to section 50 of the Act.

Evidence of Transfer

[16] Notwithstanding the Requesting Party’s submissions, I accept that the Owner has demonstrated use of the Mark within the meaning of sections 4 and 45 of the Act. In this respect, Mr. Manabat attests that GSMI has been exporting beverages bearing the Mark to Canada since September 2009 and provides evidence of one such shipment.

[17] While the evidence is not overwhelming, the Federal Court has stated that “evidence of a single sale, whether wholesale or retail, in the normal course of trade may well suffice so long as it follows the pattern of a genuine commercial transaction and is not seen as being deliberately manufactured or contrived to protect the registration of the trade mark” [*Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD) at 293].

[18] In this case, while not made to a final consumer, the sale and delivery to Gardena in Canada represents a part of the chain of transactions contemplated by section 4 of the Act, as discussed in *Manhattan Industries, supra*. Furthermore, the documentation showing the large shipment of over 1000 cases in September/October 2009 does not support a conclusion that the transaction in evidence was “contrived to protect the registration”.

[19] Although Mr. Manabat does not explicitly state in his affidavit that this particular shipment actually arrived in Canada and was transferred to Gardena, I consider it reasonable to infer from the evidence as a whole that such transfer did occur. For example, I note that Mr. Manabat refers to the Exhibit G Bill of Lading as “evidencing the shipment of the Trademarked Wares ... from GSMI to Gardena” with Toronto as the “Place of Delivery”.

[20] As well, although Mr. Manabat does not explicitly state that the exhibited shipping documentation referencing the Mark was included with the shipment, I consider it reasonable to infer that such documentation would accompany such a shipment. In any event, this is also not fatal to the Owner.

[21] In this respect, I note that Mr. Manabat correlates the “Trademarked Wares” shipped with the “Trademarked Wares” appearing on the Exhibit B website pages. The Requesting Party submits that the product images on the website pages are of poor quality and that, in any event, the pages are from after the relevant period and therefore inadmissible. However, the evidence as a whole must be considered and focusing on individual pieces of evidence is not the correct approach [*Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB)]. As such, while the exhibited pages may have been printed after the relevant period, they do appear to show that the Mark is displayed on the packaging of the SUNCATCH juice products, which is consistent with Mr. Manabat’s statement that the website depicts “non-alcoholic beverages that *bear* the trademark SUNCATCH” (emphasis added). As such, given

Mr. Manabat’s correlation of the website products with the evidenced shipment, I am satisfied that the registered goods bore the Mark as registered on their packaging at the time of transfer in possession in Canada.

[22] Although the evidence in this case is neither perfect nor overwhelming, as noted above, it is well established that the evidentiary threshold that the registered owner must meet is quite low [per *Uvex Toko, supra*]. In this case, in view of the evidence as a whole, I am satisfied that the Owner has demonstrated use of the Mark in association with the registered goods “juices” within the meaning of sections 4(1) and 45 of the Act.

Disposition

[23] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act, and in compliance with the provisions of section 45 of the Act, the registration will be maintained.

Andrew Bene
Hearing Officer
Trade-marks Opposition Board
Canadian Intellectual Property Office

Hearing Date: No Hearing Held

Agents of Record

Boughton Law Corporation

For the Registered Owner

Gowling Lafleur Henderson LLP

For the Requesting Party