

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

Citation: 2013 TMOB 1 Date of Decision: 2013-01-02

IN THE MATTER OF A SECTION 45 PROCEEDING requested by Gowling Lafleur Henderson LLP against registration No. TMA396,165 for the trade-mark JUST ADD WATER in the name of Gerald Alan Croxall

- [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 May 12, 2010 to Gerald Alan Croxall (the Registrant), the registered owner of registration No. TMA396,165 for the trade-mark JUST ADD WATER (the Mark).
- [2] The Mark is registered for use in association with "clothing; namely: sweatshirts, tracksuits, t-shirts, caps and jackets" (the Wares).
- [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 each of the wares and 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 use since that date. In this case, the relevant period for showing use is between May 12, 2007 and May 12, 2010 (the Relevant Period).
- [4] The relevant definition of "use" is set out in section 4(1) of the Act as follows:

- 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.
- [5] It is settled law that evidentiary overkill is not required in order to properly reply to a section 45 notice [*Union Electric Supply Co Ltd v Registrar of Trade-marks* (1982), 63 CPR (2d) 56 (FCTD)]. The test that has to be met by a registrant under section 45 is not a heavy one. All the registrant has to do is establish a *prima facie* case of use [*Cinnabon, Inc v Yoo-Hoo of Florida Corp* (1998), 82 CPR (3d) 513 (FCA)]. However, sufficient facts must be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the registered wares and services during the relevant period.
- [6] In response to the Registrar's notice, the Registrant filed his own affidavit, sworn August 5, 2010. Only the Requesting Party filed written submissions; however, both parties attended an oral hearing.
- [7] In his affidavit, Mr. Croxall explains that he applied the Mark to the Wares during the Relevant Period by means of embroidery and silk screening. In support, he attaches a photograph as Exhibit "A" to his affidavit, showing the Mark on a t-shirt, which he describes as being a typical sample of the Wares.
- [8] Mr. Croxall explains that following the application of the Mark on the Wares, he distributes and sells such Wares to customers in Canada. As evidence of sales of the Wares, he attaches as Exhibit "B", typical examples of sales invoices for the Wares during the Relevant Period. Exhibit "B" consists of two invoices, both reflecting sales of t-shirts, with the seller indicated to be "Nature Force". I note that the address of "Nature Force" is the same address as that of the Registrant, Mr. Croxall. Further to this, I note that Mr. Croxall's affidavit is printed on "Nature Force Graphics" letterhead, which also displays the address of Mr. Croxall.
- [9] Lastly, Mr. Croxall attaches letters from two Canadian customers which he states confirm the purchase and resale of his Wares during the Relevant Period. I note that the letters are

written by the same Canadian customers that are identified in the Exhibit "B" invoices as buyers of the Registrant's t-shirts.

- [10] The Requesting Party's main arguments are as follows:
 - The evidence is unreliable and inadmissible;
 - The evidence does not show use of the Mark by the Registrant; and
 - The evidence does not show use of the Mark with *each* of the registered wares.
- [11] With respect to its first argument, the Requesting Party argues that the Registrant's evidence is unreliable and inadmissible for a number of reasons. To begin with, the Requesting Party points out that the exhibits to Mr. Croxall's affidavit are not commissioned. It submits that such uncommissioned exhibits fail the requirements of rule 80(3) of the *Federal Court Rules*; consequently, they do not meet the standard of evidence required by the Act and should not be accepted. The Requesting Party cites the case of *Perley-Robertson Panet Hill & McDougall v Early Morning Productions Inc* (1998), 87 CPR (3d) 347 at 349 (TMOB) as authority that the Registrar has held that evidence attached to affidavits must meet the requirements of section 45 of the Act.
- Inote, however, that exhibits that have not been notarized, but that have been identified in the affidavit, have been considered acceptable in the context of section 45 proceedings [see for example: Smith, Lyons, Torrance, Stevenson & Mayer v Pharmaglobe Laboratories Ltd (1996), 75 CPR (3d) 85 (TMOB)]. Furthermore, the Registrar does not strictly adhere to the Federal Court Rules relating to the admissibility of exhibits [see Maximilian Fur Co Inc v Maximilian for Men's Apparel Ltd (1983), 82 CPR (2d) 146 at 149 (TMOB)]. In the present case, distinguishable from the situation in Perley-Robertson, supra, Mr. Croxall clearly states that the exhibits form part of his affidavit and he provides a clear description of the attached exhibits. As I see no inconsistencies between Mr. Croxall's description of the exhibits and the exhibits furnished, I am prepared to accept this deficiency as merely technical in nature. It is well established that technical deficiencies should not be a bar to a successful response to a section 45

notice [see *Baume & Mercier SA v Brown* (1985), 4 CPR (3d) 96 (FCTD)] and that the "technical requirements" of section 45 should not become "a trap for the unwary." [*George Weston Ltd v Sterling & Affiliates* (1984), 3 CPR (3d) 527 (FCTD)]. Accordingly, I am prepared to accept the exhibits as admissible.

- [13] The Requesting Party also questions the reliability and admissibility of the entirety of the Registrant's evidence, submitting that the evidence that was forwarded to it by the Registrant differed from the evidence that the Registrant submitted to the Registrar in response to the section 45 notice. The Requesting Party argues that the mere fact that two sets of evidence exist goes towards the unreliability and ambiguity of the evidence furnished, and towards the existence of more than one interpretation. Furthermore, the Requesting Party submits that contradictory affidavits are prohibited and that as affidavits in section 45 are not subject to the crucible of cross-examination, the Registrar has a special duty to ensure that reliable evidence is received.
- [14] I note however, that the Registrar may only receive evidence furnished by or on behalf of the registered owner. Furthermore, the only evidence on record in this proceeding is the evidence submitted by the Registrant, received by the Registrar. The Registrant did not file contradictory affidavits with the Registrar. In any event, the evidence filed with the Registrar and the evidence allegedly received by the Requesting Party from the Registrant, as described at length in the Requesting Party's written argument, do not appear to differ substantially nor do they appear contradictory. Furthermore, I note that the Requesting Party ordered a copy of the Registrant's evidence from the Trade-marks Office and made submissions on the evidence of record; thus, the Requesting Party had an opportunity to respond to the evidence filed with the Registrar and suffered no apparent prejudice.
- [15] Now turning to the Requesting Party's second argument, the Requesting Party contends the evidence shows neither use of the Mark by the Registrant, nor use that inures to his benefit. In this regard, the Requesting Party points out that the seller listed on the invoices is "Nature Force" and Mr. Croxall does not refer to Nature Force or define the relationship between himself and Nature Force in his affidavit. Furthermore, the Requesting Party submits there is no

evidence of any licensed use of the Mark, nor can the existence of a license be inferred from the evidence.

- [16] While it is true that Mr. Croxall has not explained the relationship between himself and Nature Force, I find it reasonable to infer that Nature Force, at the very least, is a trading name of the Registrant. Nature Force shares the same address as Mr. Croxall, and Mr. Croxall has produced his affidavit on Nature Force Graphics letterhead, which again, bears the same address as Mr. Croxall. I note that a similar inference was drawn due to a common address in Effigi Inc v Big Feats Entertainment, LP, (March 17, 2006 TMOB (unreported), registration No. TMA313,402. In any event, even if Nature Force is a separate legal entity, I am prepared to infer based on the evidence as a whole, that such use would satisfy the requirements of section 50 of the Act. In such a situation, Mr. Croxall, the registered owner of the Mark, would effectively be granting a license to his own business, which he operates and controls. Section 50(1) of the Act does not require a written agreement [Well's Dairy Inc v UL Canada Inc (2000), 7 CPR (4th) 77 (FCTD), and this would appear to be a situation in which it would be reasonable to presume, bearing in mind the purpose of section 45 of the Act, that the requisite control pursuant to section 50(1) exists [Petro-Canada v 2946661 Canada Inc (1999), 83 CPR (3d) 129 (FCTD); Lindy v Canada (Registrar of Trade Marks) 1999 CarswellNat 652 (FCA)].
- [17] With respect to whether the Registrant has used his Mark in association with *each* of the Wares, however, I agree with the Requesting Party that the evidence only addresses "t-shirts". In this regard, the Exhibit "A" photographs only show t-shirts, and the invoices in Exhibit "B" only show sales of t-shirts. These exhibits clearly show that the Mark was affixed to t-shirts at the time of transfer and that sales of such t-shirts were made in Canada during the Relevant Period. Consequently, I accept that the Registrant has shown use of the Mark in association with "clothing; namely: t-shirts" in accordance with sections 4 and 45 of the Act.
- [18] However, with respect to the remaining Wares, Mr. Croxall does not make any statements in his affidavit which would permit me to infer that the use shown with t-shirts is representative of *each* of the remaining Wares. This is not a circumstance where it would have been onerous for the registered owner to produce evidence with respect to each of the five registered Wares. Consequently, I cannot find that the Registrant has demonstrated use with

respect to the remainder of the Wares, and no special circumstances have been brought forth that would excuse the absence of such use.

Disposition

[19] Having regard to the foregoing, 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 amended to delete the following wares: *sweatshirts, tracksuits, caps and jackets*. Thus, the wares in the subject registration, as amended, will now read: *clothing; namely: t-shirts*.

Kathryn Barnett Hearing Officer Trade-marks Opposition Board

Canadian Intellectual Property Office