



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

Citation: 2010 TMOB 101
Date of Decision: 2010-07-12

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Cassels Brock & Blackwell LLP against
registration No. TMA629,725 for the trade-mark
ULTIMATE GARAGE & DESIGN in the name of
Ultimate Garage Inc.**

[1] On November 14, 2008, at the request of Cassels Brock & Blackwell LLP (the Requesting Party), the Registrar forwarded a notice under s. 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) to Ultimate Garage Inc. (the Registrant), the registered owner of the above-referenced trade-mark (the Mark).



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

WARES

(1) Cabinets; wall organizers; electric lighting fixtures; home surveillance and monitoring systems namely control panels, sensors, keypads, smoke detectors, motion sensors, heat detectors, door sensors; and vinyl, plastic, metal, wood and tile flooring.

(2) Customized garage construction services; design, installation and renovation services, namely the design of garage interiors, installation of interior garage fixtures, and garage renovation services

SERVICES

(1) Distributorships in the field of customized garage construction services and design, installation and renovation services, namely the design of garage interiors, installation of interior garage fixtures, and garage renovation services; franchising services namely, the offering of technical assistance in the establishment and operation of a business focusing on the construction, design, installation and renovation of garages and garage interiors; electrical contracting services; and home surveillance and monitoring installation services.

[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 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 use since that date. In this case, the relevant period for showing use is any time between November 14, 2005 and November 14, 2008.

[4] "Use" in association with wares and services is set out in s. 4 of the Act:

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.

[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 and as such, the threshold test is quite low. As stated by Mr. Justice Russell in *Uvex Toko Canada Ltd. v. Performance Apparel Corp.* (2004), 31 C.P.R. (4th) 270:

68. [...] 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] Although the threshold for establishing use in these proceedings is quite low and evidentiary overkill is not required, sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the wares or services specified in the registration during the relevant period. In addition, the entire burden is with the registrant [*88766 Inc. v. George Weston Ltd.* (1987), 15 C.P.R. (3d) 260 (F.C.T.D.)] and any ambiguities in the evidence are to be interpreted against the registrant [*Plough (Canada) Ltd v. Aerosol Fillers Inc.* (1980), 53 C.P.R. (2d) 62 (F.C.A.)].

[7] In response to the Registrar's notice, the Registrant furnished the affidavit of Stan Murray, the Secretary/Treasurer of the Registrant, together with Exhibits A to R.

[8] Both parties filed written submissions. Only the Requesting Party was represented at an oral hearing.

[9] At the outset, Mr. Murray conceded in paragraph 14 of his affidavit that the Mark "was not used in association with home surveillance and monitoring systems, nor with electrical contracting services during the three year period to the date of the notice, nor at anytime prior to the date of the notice". As there is neither evidence of use of the Mark nor evidence of circumstances excusing the absence of use of the Mark in association with these wares and services, the wares and services described as "home surveillance and monitoring systems namely control panels, sensors, keypads, smoke detectors, motion sensors, heat detectors, door sensors" and "electrical contracting services" will be deleted from the registration.

[10] As Mr. Murray does in no way refer to the services described as "home surveillance and monitoring installation services" in his affidavit nor to special circumstances excusing the absence of use of the Mark in association with these services, the Requesting Party contends that

the above concession of Mr. Murray may be understood as encompassing not only the wares described as “home surveillance and monitoring systems” but also the services associated therewith. I agree. Consequently, these services will also be deleted from the registration.

[11] I will now turn to the evidence introduced by the Murray affidavit.

[12] Mr. Murray first goes over the history of the Registrant. The Registrant is an Alberta corporation that has been incorporated since June 18, 2003. Mr. Murray states that the Registrant “has been operating its business of customized garage construction and renovation services under its trade-name Ultimate Garage continuously since its date of incorporation [...] from its office located at Calgary”.

[13] Mr. Murray then addresses the issue of use of the Mark in association with each category of wares and services covered by the instant registration except for the ones discussed above that ought to be deleted from the registration.

[14] Mr. Murray states in paragraph 6 of his affidavit that the Registrant has used the Mark in Canada in the normal course of trade continuously during the relevant period in association with the following “wares”:

- (a) Cabinets; wall organizers; electric lighting fixtures; and vinyl, plastic, metal, wood and tile flooring; and
- (b) Customized garage construction services; design, installation and renovation services, namely the design of garage interiors, installation of interior garage fixtures, and garage renovation services.

[15] More particularly, Mr. Murray explains that use of the Mark in association with these alleged wares was made by displaying the Mark on the Registrant’s delivery trucks and trailers that deliver and transfer the wares to the customer, as well as the display of the Mark on portable sandwich sign boards at the job site during installation of the wares and performance of the services at the customer’s residence.

[16] In support of his assertions of use, Mr. Murray attaches to his affidavit a photograph of an empty truck trailer taken March 26, 2008 [Exhibit C], as well as copies of invoices for graphic work rendered to the Registrant in 2008 for the signage and vinyl graphic displayed on the Registrant's trucks, sandwich boards, and company office/showroom [Exhibits D, E and F].

[17] As stressed by the Requesting Party, these invoices are not invoices for wares bearing the Mark or for work by the Registrant rendered to third parties. These invoices to the Registrant do not evidence use or advertising in Canada of the Mark or any mark by the Registrant and are ambiguous as to what lettering or decals they pertain.

[18] The photograph of the Registrant's truck trailer does no more evidence use of the Mark in association with the alleged wares. It only shows an empty trailer attached to the Registrant's truck, which both display the following trade-mark (hereinafter sometimes referred to as the Modified Mark):



[19] There is no evidence that the Mark was applied to the wares or their packaging at the time of transfer of title or possession of the wares, or that the Mark was brought to the attention of the purchaser at the time of delivery. The mere display of the above trade-mark on the Registrant's truck trailer is insufficient to infer that such 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" pursuant to s. 4(1) of the Act [*Riches, McKenzie & Herbert v. 783234 Ontario Ltd.* (2000), 6 C.P.R. (4th) 535 (T.M.O.B.)].

[20] Moreover, as stressed by the Requesting Party, the trade-mark that is displayed on the Registrant's truck trailer reproduced above is not the Mark but a modified version of it.

[21] As set out in *Registrar of Trade-marks v. Cie Internationale pour l'Informatique CII Honeywell Bull* (1985), 4 C.P.R. (3d) 523 (F.C.A.) at p.525 when the mark as used deviates from the mark as registered, the question to be asked is whether "the mark was used in such a way that

the mark did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used”. In deciding this issue, one must look to see if the “dominant features” have been preserved [*Promafil Canada Ltée v. Munsingwear Inc.* (1992), 44 C.P.R. (3d) 59 (F.C.A.)]. This is a question of fact to be determined on a case-by-case basis.

[22] The Mark is made of a house silhouette within which are displayed the words “ULTIMATE GARAGE” in white characters. Considering on the one hand, the laudatory or descriptive character of these words in the context of the Registrant’s wares and services, and on the other hand, the visual impression created by the design element, I agree with the Requesting Party that the house silhouette is the dominant feature of the Mark.

[23] Comparing the Mark as it is registered with the trade-mark as it is used, the dominant feature of the Mark has not been preserved. Furthermore, while the words “ULTIMATE GARAGE” have been preserved, the trade-mark as it is used comprises different fonts and includes additional and completely different design features and layout in comparison to the Mark. That being so, the overall impression created by the Mark as it is registered is lost. Thus, I find that the public as a matter of first impression would not perceive the trade-mark used as being the Mark [*Nightingale Interloc Ltd. v. Prodesign Ltd.* (1984), 2 C.P.R. (3d) 535 (T.M.O.B.)]. Therefore, I conclude that the Modified Mark appearing on the Registrant’s truck trailer (and material discussed below) does not constitute use of the Mark as registered.

[24] Turning to the evidence of use of the Mark in association with the services covered by the instant registration, Mr. Murray states that the Registrant has used the Mark in Canada during the relevant period in association with the “services” identified in paragraph 6(b) of his affidavit reproduced above in paragraph 14(b) of my decision by displaying the Mark on advertising the Registrant’s services as follows:

- (a) The Mark being allegedly marked throughout the Registrant’s website www.utlimategarage.ca, having been online for over two years prior to the date of the

s. 45 notice. A sample of the Registrant's website displaying the Modified Mark on a black background (reproduced below) is attached to Mr. Murray's affidavit as Exhibit G:



(b) Regular distribution of unaddressed mailing advertisements and advertising flyers in the *Calgary Herald* with a circulation of 55,000. While Mr. Murray states that a sample representative of such flyers is attached to his affidavit as Exhibit H and copies of purchase orders and invoices from the *Calgary Herald* for such advertising are attached as Exhibits I, J, K, and L, I note that Exhibit H displays the Modified Mark. As for Exhibits I to L, they do not evidence use of the Mark or any mark. They simply evidence that the Registrant did order advertising;

(c) Display of the Mark on portable billboards located at job sites during performance of the services. While Mr. Murray states that such portable billboard is evidenced by the sample photograph attached as Exhibit C discussed above and that the invoices attached as Exhibit D, E and F also discussed above pertain to the signage and vinyl graphic displayed on the portable billboards, none of these Exhibits evidences use of the Mark or any mark on any such portable billboard. As discussed above, Exhibit C consists only of a photograph of an empty truck trailer;

(d) Paid advertisements in *RPM Motoring Monthly* magazine. While Mr. Murray states that a sample of such advertisement is attached as Exhibit M to his affidavit, I note that this exhibit consists of invoices issued by *RPM Motoring Monthly* to the Registrant rather than of a sample of such advertisement. These invoices do not display the Mark or any mark; and

(f) Display of the Mark at industry tradeshow in association with advertising of services. While Mr. Murray attaches as Exhibit N to his affidavit copy of an invoice for space rental at one such type of tradeshow, such invoice does not evidence use or advertising in Canada of the Mark or any mark by the Registrant.

[25] As stressed by the Requesting Party, the purchase orders and invoices attached as Exhibits I, J, K, L, M and N are not invoices for wares or services by or from the Registrant. These invoices are invoices to the Registrant. Moreover, these invoices are ambiguous as they do not state or evidence ads placed for or bearing the Mark or any mark, nor do they provide any indication as to the nature of the wares or services so advertised.

[26] As well, the purported Internet evidence appearing in Exhibit G is not conclusive. The first page, dated February 2, 2009, appears to advertise a “new garage and workplace floor covering solution with a 20-year limited guarantee” launched by the Registrant. This advertising is outside the relevant period. Furthermore, while the Modified Mark appears at the top of the page, the Mark as registered is not displayed. The second page, also dated February 2, 2009, appears to advertise the Registrant’s storage systems in Canada. The Registrant describes itself as offering “a truly integrated approach for clients to outfit the garage, workshop or showroom of their dreams”. The Registrant’s product line is described as including “BaldHead, Redline & Gladiator” garage cabinets, work bench and tool cabinets; “Handwall” garage shelving; “Onrax, Bordzup & Shulte” garage storage racks; “Race Deck” garage floor tiles; “SRS Flooring” garage floor epoxy; “Titan” garage car hoists; “Harken Hoister” overhead garage storage; and “Loft-it” garage overhead storage lift. While the Modified Mark also appears at the top of this second page, there is no indication that the Registrant’s product line or services are marked with the Mark.

[27] Exhibit H consists of two ads, one of which appears to be outside the relevant period as per the mention “Hurry, get these great deals only until February 24, 2009”. The products displayed in these ads are essentially the same as the ones described above in paragraph 26 of my decision. Again, while the Modified Mark appears either at the top or the bottom of the ads, the Mark as registered is not displayed. Furthermore, these ads are ambiguous as to what services, if any, they pertain to.

[28] As for the services described as “distributorships in the field of customized garage construction services and design, installation and renovation services, namely the design of garage interiors, installation of interior garage fixtures, and garage renovation services”,

Mr. Murray states that the Registrant has used the Mark in Canada during the relevant period “in the performance of [these] services in relation to distributorship agreements with the following companies”:

- (a) A company operating as Total Garage Innovation, in Alberta [as per invoices filed as Exhibit O]
- (b) A company operating as The Garage Store, in Alberta;
- (c) A company operating as Garage Logics, in Manitoba [as per invoices filed as Exhibit P]
- (d) A company operating as Unlimited Garage Solutions, in British Columbia [as per invoices filed as Exhibit Q];
- (e) A company operating as Specialized Garage, in Alberta; and
- (f) A company operating as McMillan Garage, in Alberta.

[29] This statement of use of Mr. Murray amounts to a bare assertion of use. It is not substantiated by conclusive evidence of use of the Mark in association with the alleged services. The invoices attached as Exhibits O, P and Q display the Modified Mark (rather than the Mark) at the top of the invoices besides the Registrant’s name and address.

[30] As for the services described as “franchising services namely, the offering of technical assistance in the establishment and operation of a business focusing on the construction, design, installation and renovation of garages and garage interiors”, Mr. Murray states that the Registrant “has provided its agent, Kevin Armstrong, who is located at Canmore, Alberta, technical assistance in the establishment and operation of a business focusing on the construction, design, installation and renovation of garages and garage interiors”. Mr. Murray states that “such technical assistance includes the agent using the Mark in advertising his services and on his work order/invoice quotation system”.

[31] This statement of use of Mr. Murray amounts, again, to a bare assertion of use. The Registrant has not proffered any evidence to support the allegation that it provides specific or other services to Kevin Armstrong. Mr. Murray has not evidenced how the Registrant displays

the Mark in the performance or advertising of its franchising services. As for Kevin Armstrong's use of the Mark, Mr. Murray has not proffered any evidence to support the allegation that the Mark is used in advertising Kevin Armstrong's services or on his work order/invoice quotation system, or for that matter, that the Registrant controls the character and quality of Kevin Armstrong's wares and services or whether public notice has been given of that control arrangement.

[32] Mr. Murray further states that the Registrant is currently, and has been during the three years prior to the date of the notice, actively engaged in obtaining distribution contracts to expand its franchisor product line for use with its franchise services. He states that towards that end, the Registrant has secured an exclusive product distribution contract within Western Canada, which product line forms part of its distributorship services and franchise services with which the Mark is used in association. He attaches to his affidavit as Exhibit R, a copy of the front page recitals and signing page of such contract for Redline Garagegear products, obtained in October 2007.

[33] As stressed by the Requesting Party, Exhibit R simply evidences that the purported agreement between the Registrant and Redline Garagegear is one whereby the Registrant has acquired the right to be an agent for the sale of a product line branded under the mark Redline Garagegear. There is no evidence that the Registrant uses the Mark in association with any such alleged distributorship or franchising services.

[34] In view of all the foregoing, and as this is not a case where special circumstances excusing the absence of use of the Mark apply, the registration ought to be expunged from the Register, for failure to show use pursuant to s. 45 of the Act.

[35] Before closing, I wish to address the Registrant's submission concerning the alleged inappropriate use of s. 45 proceeding by the Requesting Party. The Registrant argues in its written submissions that while the Requesting Party is a law firm that is not directly in a commercial dispute with respect to the Mark, its client has been in a dispute with the Registrant since as early as June 26, 2008. It is the Registrant's position that the Requesting Party's client

may proceed with s. 57 expungement proceedings to resolve the matter between the parties and that s. 45 proceeding is not the appropriate section of the Act for settling a commercial dispute over a registered trade-mark. I note that the Murray affidavit does not speak to nor evidence any such dispute. In any event, transposing the comments of Board Member Bradbury in *Conorzio Del Prosciutto Di Parma v. Maple Leaf Foods Inc.*, 2010 COMC 52 (CanLII) to the present case, the parameters of the present proceeding are narrow and the motivation of a requesting party is not a consideration in reaching a decision under s. 45 of the Act. Section 45(1) provides that the Registrar may refuse to issue a s. 45 notice if he “sees good reason to the contrary”; but once the notice is issued, allegations that a party’s actions may be vexatious are irrelevant.

[36] Pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be expunged in compliance with the provisions of s. 45 of the Act.

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office