

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

> Citation: 2014 TMOB 251 Date of Decision: 2014-11-14 TRANSLATION

IN THE MATTER OF THE SECTION 45 PROCEEDINGS, undertaken at the request of De Grandpré Chait SENCRL/LLP regarding Registration No. LMC714,622 of the DESIGN OF A ROOSTER trade-mark (black and white) in the name of J. BENNY INC.

[1] This decision pertains to a summary expungement proceeding requested against registration No. LMC714,622 of the DESIGN OF A ROOSTER trade-mark (black and white) (the Mark), as reproduced below:



in association with:

French fried potatoes, roasted chicken, ribs and fried fish; barbecue sandwiches and sandwiches. (French translation: pommes de terre frites, poulet rôti, côtes levées et poisson frit; sandwichs barbecue et sandwichs.) (the Wares); and

Services: *Food delivery services; restaurant services*. (French translation: Services de livraison de mets préparés; services de restaurant.) (the Services).

[2] In light of the evidence on file and for the reasons described below, I conclude that the Registrant (defined hereinafter) has discharged its burden to prove use of the Mark in Canada in association with the Wares and the Services within the meaning of section 4 of the *Trade-marks Act*, RSC 1985, c. T-13 (the Act) during the Relevant Period (as defined below).

The proceeding

[3] On September 28, 2012, at the request of De Grandpré Chait SENCRL/LLP (the Applicant), the Registrar sent the notice stipulated in section 45 of the Act to J. BENNY INC. (the Registrant)

[4] Section 45 of the Act requires the Registrant to show that it has used its Mark in Canada in association with each of the Wares and Services specified in the registration at any given time during the three years preceding the date of the notice or, if not, to provide the date on which it was last used and the reason for its absence of use since this date. The relevant period is therefore from September 28, 2009 to September 28, 2012 (the Relevant Period).

[5] The procedure pursuant to section 45 is simple and expeditious, and serves to clear "deadwood" from the register. Accordingly, the threshold to establish use of the Mark, within the meaning of section 4 of the Act, during the Relevant Period is not very high [see *Uvex Toko Canada Ltd v Performance Apparel Corp* (2004), 31 CPR (4th) 270 (FCTD)]. The issue is to establish a use of the Mark *prima facie* [see *1459243 Ontario Inc v Eva Gabor International, Ltd*, 2011 FC 18 (FCTD)].

[6] A simple claim of use of the Mark in association with the Wares and Services is not sufficient to establish its use within the meaning of section 4 of the Act. There is no requirement to produce abundant evidence. However, any ambiguity in the evidence will be interpreted against the Registrant [see *Plough (Canada) Ltd v Aerosol Fillers Inc* (1980) 53 CPR (4th) 62 (FCA)].

[7] In response to the notice, the Registrant filed the solemn declaration of Mr. Jean Benny with Exhibits JB-1 to JB-23. The parties filed written representations. The parties were represented at a hearing.

Preliminary comments

[8] Mr. Benny's solemn declaration concerns distinct proceedings instituted against the three registrations and thus three different marks. For the purposes of this decision, I will refer only to the relevant passages pertaining to the commercial activities of the Registrant and/or its sub-licensees, and those relating to the use of the Mark in association with the Wares and Services.

[9] At the hearing, the Requesting Party insinuated that certain exhibits had been manipulated and even fabricated to respond to the Registrar's different notices, in order to preserve the trade-marks that are the object of these notices pursuant to section 45 of the Act. For this purpose, in particular, it compared some of the exhibits filed to prove the use of the Mark with exhibits filed in support of the allegations of use of other trade-marks that are the object of similar proceedings.

[10] Some remarks are necessary in this regard. This is an administrative proceeding for the purpose of eliminating deadwood from the Register. This is not an adversarial proceeding on contested facts. Such as it will appear from the analysis of the evidence, the Registrant has several sub-licensees. The evidence of use of the Mark in this case is not the same as the evidence filed in the other cases, and vice versa. Moreover, the evidence comes in some cases from different sub-licensees and it thus becomes difficult to draw conclusions based on a comparison of the evidence coming from one sub-licensee with the evidence coming from another sub-licensee.

[11] I noticed that the Requesting Party refers in its written representations to documents attached thereto. I informed the Requesting Party during the hearing that it could not introduce evidence in any way within the context of proceedings under section 45 of the Act or refer to documentation that is not part of the file [see *Fasken Martineau DuMoulin LLP v In-N-Out Burgers*, 2007 CanLII 80990 (TMOB)].

The evidence

[12] Mr. Benny describes himself as the President and Secretary of the Registrant since it was constituted. He is also the President of other companies to which he refers in his solemn declaration. He filed as Exhibit JB-1 a copy of the statement of the Enterprise Register concerning the Registrant.

[13] Since Mr. Benny's solemn declaration pertains to the use of different trade-marks, I must point out that Mr. Benny discusses the use of the Mark in paragraphs 14 to 20, 34 to 36, and 47 to 66 of his solemn declaration. I will therefore deal more fully with these paragraphs and the paragraphs describing the relationships that exist among the different corporate entities identified in his solemn declaration.

[14] Mr. Benny explains that the Mark is used by BENNY & FRÈRES INC., of which he is also the President, pursuant to a licence granted by the Registrant, which includes a franchise program for operation of restaurants. He filed as Exhibit JB-2 a copy of the statement of the Enterprise Register concerning this company. He explains this franchise program includes a licence that allows BENNY & FRÈRES INC. to grant sub-licences. He affirms that, under this licence and these sub-licences, the Registrant directly or indirectly controlled the character and quality of the Wares and Services during the Relevant Period. He also filed as Exhibit JB-3 a copy of the confirmatory trade-mark licences between the Registrant and BENNY & FRÈRES INC., as well as those made between BENNY & FRÈRES INC. and other firms (the sub-licensees). In paragraph 15 of his solemn declaration, he lists the various sub-licensees.

Restaurant services

[15] Mr. Benny affirms that restaurant services have been offered and rendered by the Registrant's sub-licensees, identified in paragraph 15 of his solemn declaration, in association with the Mark since at least December 7, 2011, thus allowing the customers to enjoy meals served on site in these restaurants.

[16] As proof of use of the Mark in association with the restaurant services, Mr. Benny filed:

- A reproduction of a poster (Exhibit JB-4) bearing the Mark, placed at the entrance of each of the restaurants identified in paragraph 15 of his solemn declaration, since December 7, 2011;
- A reproduction of a poster (Exhibit JB-5) bearing the Mark, placed at the entrance of each of the restaurants identified in paragraph 15 of his solemn declaration, identical to Exhibit JB-4 except that it contains the addition of a notice concerning the mark, used since January 2012, as well as two photographs showing said poster at the entrance of the restaurant located in Ste-Thérèse;
- Two photographs (part of Exhibit JB-5) showing the poster (Exhibit JB-5) placed at the entrance of the restaurant located in Ste-Thérèse since January 2012;
- Copy of the back of the paper roll serving to print the bills (Exhibit JB-6) bearing the Mark. Thus, the bills issued since at least 2010 for the purchase of a meal in the restaurant operated by the sub-licensees listed in paragraph 15 of his solemn declaration bore the Mark. Mr. Benny affirms that at least 18,000 bills bearing the Mark were provided during the month of August 2012 to customer who ate on site, in the dining room of the restaurants operated by the sub-licensees identified in paragraph 15 of his solemn declaration.

[17] Mr. Benny affirms that, since September 15, 2012, the Mark also appears on the front of the bills issued by the sub-licensee operating a restaurant in Montréal-Nord. He filed a copy of such a bill as Exhibit JB-7. He alleges that at least 475 of these bills bearing the Mark were issued to customers who ate at this establishment from September 15 to 27, 2012.

[18] Thus, according to Mr. Benny, the Mark would have been shown during the performance of the restaurant services in Canada during the Relevant Period.

Prepared food delivery services

[19] Concerning the prepared food delivery services, we must refer to paragraphs 34 to 36 of Mr. Benny's solemn declaration. He affirms that starting in 2010, the back of each bill given to each customer who ordered prepared foods from one of the six sublicensees identified in paragraph 35 of his solemn declaration bore the Mark. He explains that such a bill is given to each customer who may have taken advantage of the delivery services, at the same time as the prepared foods ordered. He affirms that at least 15,000 bills were provided in this manner during the month of August 2012. [20] Mr. Benny adds that, starting on September 15, 2012, the Mark was present on the front of each bill provided to each customer who ordered prepared foods from the sublicensee located in Montréal-Nord. He filed an example of such a bill as Exhibit JB-14. He affirms that at least 2,000 bills bearing the Mark were provided in this manner to customers who were able to benefit from the prepared foods home delivery services.

The Wares

[21] Regarding the use of Mark in association with the Wares, we must refer to paragraphs 44 to 46 of Mr. Benny's solemn declaration. He explains that a customer who visits one of the establishments operated by the sub-licensees may go to a counter to buy the various dishes or foods on the counter menu for takeout. He filed a copy of this counter menu as Exhibit JB-17. He mentions that the menu presentation may have changed during the Relevant Period but that all the Wares were offered during that period.

[22] I must point out that the watermark representation of a rooster can be seen at the left end of Exhibit JB-17 and that the Wares are identified therein. I consider that the rooster represented possesses all the essential characteristics of the Mark, namely its shape and the lines representing the feathers of the rooster's body. [See *Canada* (*Registrar of Trade-marks*) v *Cie Internationale pour l'informatique CII Honeywell Bull* SA, (1985) 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. However, the menu in itself does not constitute use of the Mark in association with Wares within the meaning of section 4(1) of the Act, but rather the advertising of these Wares.

[23] Mr. Benny affirms that the Mark is present on the back of each bill given to each customer who purchased any of the Wares, from 2010 to September 27, 2012. He filed as Exhibit JB-6 a photo showing the back of a tape used by the sub-licensees bearing the Mark, used for printing bills given to the customers who purchased wares.

[24] Mr. Benny lists the sales of the Registrant's sub-licensees for the month of August2012 for each of the Wares.

[25] Mr. Benny affirms that the Mark also appears on the front of the bills provided between September 15 and 27, 2012 to the customers who purchased any of the Wares at the restaurant located in Montréal-Nord. He filed a photograph of such a bill as Exhibit JB-18. Thus, Mr. Benny affirms that when the customer leaves this restaurant, he has in his possession a box containing the purchased food and the bill bearing the Mark.

[26] Mr. Benny explains that the bill filed as Exhibit JB-18 is dated April 24, 2013 but is representative of the bills provided to the customers between September 15 and 27, 2012. However, there is only one difference between the bill illustrated and the bill provided to the customers: the bills provided to the customers during this period do not contain the legal notice concerning the Mark, which appears on the photographed bill dated April 24, 2013. Indeed, this legal notice appeared on the bills only at the end of September 2012, without it being possible for him to specify the date.

[27] Mr. Benny provides the number of units sold at the Montréal-Nord restaurant for each of the Wares for the period from September 15 to 27, 2012, when each customer could see the Mark on the bill provided upon transactions completed with this sub-licensee.

[28] Mr. Benny filed jointly, as Exhibit JB-19, transaction statements for Wares sold on September 15 and 16, 2012 at the Montréal-Nord restaurant and duplicate bills dated April 17, 2013 for these transactions. He explains that the reprinted bills differ from the original bills in that it is impossible to print the transaction date on the reprinted bills. However, each bill bears the original transaction number. It is therefore possible to make the correlation between the transaction statement and the duplicate bill by referring to the transaction number appearing both on each transaction statement and on the duplicate bill.

Analysis of the Requesting Party's arguments

The Wares

[29] I have already explained the reasons why I do not consider Exhibit JB-17 to be evidence of use of the Mark. However, the Mark appears on Exhibits JB-6, JB-18 and JB-19.

[30] Concerning Exhibit JB-6, the Requesting Party argues that the mark appearing on it is a completely different mark than the Mark. It claims that the addition of the words "Benny & Co." creates another mark. I find this addition to the Mark does not create a mark distinct from the Mark. Indeed, the Mark is still the dominant part of the mark illustrated in Exhibit JB-6. The consumer would associate the origin of the wears bearing this mark with the Registrant [See *Canada (Registrar of Trade-marks) v Cie Internationale pour l'informatique CII Honeywell Bull SA*, (1985) 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)].

[31] Regarding Exhibit JB-18, the Requesting Party argues that it bears a date subsequent to the Relevant Period. Mr. Benny affirms this bill is representative of the ones issued between September 15, 2012 and September 27, 2012. However, I find that Mr. Benny does not explain to us why it was impossible to provide a copy of a bill issued during that period. For other bills (JB-19, for example) bearing the same date (April 24, 2013), he explains it is impossible to insert the transaction date in the case of a duplicate bill. However, such a duplicate is accompanied by a numbered transaction statement and it is possible to link the duplicate bill to the transaction statement by the presence of this transaction number on the duplicate bill.

[32] Since Mr. Benny does not explain to us why he was unable to file bills or duplicate bills issued between September 15, 2012 and September 27, 2012, I cannot consider Exhibit JB-18 as an example of use of the mark in association with the Wares during the Relevant Period.

[33] All that remains is Exhibit JB-19. Regarding this exhibit, the Requesting Party argues that Mr. Benny does not explain to us why it is impossible for him to reproduce

the transaction date on the duplicates of the bills filed. Mr. Benny explains that the sublicensee had not kept a paper copy of the original bill provided to the customers. I do not believe it was necessary to describe the reasons why it was impossible for the sublicensee to reproduce this information on the duplicate bills. The computerized statements of each of the transactions described on the duplicate bills were also filed. Mr. Benny affirms that the duplicates show the Mark seen on the dates of these transactions, namely September 15 and 16, 2012.

[34] The proof shows that a bill of the type filed as Exhibit JB-19 is issued during the sale of the Wares; that it is given to the customers of the Montréal-Nord sub-licensee when they take possession of the Wares; and that it bears the Mark. I consider this way of proceeding complies with the wording of section 4(1) of the Act, which stipulates that a trade-mark is deemed to be used in association with wares if [TRANSLATION] "...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".

[35] Mr. Benny provided proof of the sale of each of the Wares and the quantities sold for each of the Wares between September 15 and 27, 2012, namely within the Relevant Period.

[36] I therefore conclude that the Registrant has discharged its burden of proof concerning the Wares.

Restaurant services

[37] Regarding restaurant services, the Requesting Party admitted during the hearing that it was difficult to refute the evidence of the photograph of a bill bearing the Mark (Exhibit JB-7) issued on September 21, 2012, for a meal consumed on site (Montréal-Nord sub-licensee). The only argument raised by the Requesting Party is the absence of the legal notice concerning the Mark, whereas Mr. Benny mentioned in his solemn declaration that this notice appeared at the end of September 2012, without being able to provide a precise date.

[38] I do not see how the absence of this legal notice on the bill filed, when there is no evidence that the legal notice had to appear on the bills issued by this sub-licensee on that date, could taint the conclusive value of this evidence.

[39] Exhibit JB-7 and Mr. Benny's allegations in its regard contained in paragraph 20 of his solemn declaration are sufficient to establish that the Mark was used in association with the restaurant services within the meaning of section 4(2) of the Act during the Relevant Period.

Prepared food delivery services

[40] All that remains is to determine the Mark was used in association with prepared food delivery services.

[41] For these services, the documentary evidence is limited to Exhibits JB-6 and JB-14. I have already expressed the opinion that Exhibit JB-6 constitutes proof of use of the Mark.

[42] As for Exhibit JB-14, the Requesting Party argues that it is of poor quality, is not complete, and represents a transaction that occurred less than two weeks before the issuance of the Registrar's notice, and that Mr. Benny does not explain to us why the original of this bill could not be filed.

[43] I do not see how the proximity between the date of the Registrar's notice and the date of the bill would be a factor to consider. The Requesting Party has the burden of proving the use of the Mark <u>at a given time during the Relevant Period</u>. This bill was issued during that period. As for its poor quality, I agree there are some mentions that are difficult to read. However, the Mark can be seen at the top of the bill; as can the name of the sub-licensee (Montréal-Nord); it is possible to read some of the wares delivered; and the date of the bill appears at the bottom of the bill (2012-09-19).

[44] Finally, regarding the absence of the original in the record, I refer to the remarks of Justice Martineau of the Federal Court in *Promotions C D Inc v Sim & McBurney*, 2008 FC 1071:

The test to be met for a proceeding under section 45 of the Act is not severe. In fact, evidence of one single sale may be sufficient (Cordon Bleu International Ltée / Cordon Bleu International Ltd. c. Renaud Cointreau & Cie (2000), 10 C.P.R. (4th) 367, [2000] F.C.J. No. 1416 (Fed. T.D.)). No specific form of evidence is required in a proceeding under section 45 of the Act. That being said, it is not sufficient to simply allege that the trade-mark is used, but rather it is necessary to describe the use made of this trade-mark (Renaud Cointreau & Cie c. Cordon Bleu International Ltd., [2000] F.C.J. No. 882 (Fed. T.D.), at paragraph 36, (2000), 193 F.T.R. 182 (Fed. T.D.)). On this point, a photocopy may be acceptable (Mantha & Associates v. Cravatte di Pancaldi S.r.l., [1998] F.C.J. No. 1636 (Fed. T.D.), at paragraphs 18-20, (1998), 84 C.P.R. (3d) 455 (Fed. T.D.)). In this case, evidence of a label may be acceptable if the facts described in the affidavit or the statutory declaration show use (Renaud Cointreau & Cie c. Cordon Bleu International Ltd., [2000] F.C.J. No. 882 (Fed. T.D.), at paragraphs 17 and 35, (2000), 193 F.T.R. 182 (Fed. T.D.)).

[45] I find that the record contains evidence of use of the Mark during the Relevant Period in association with the prepared food delivery services within the meaning of section 4(2) of the Act.

<u>Disposal</u>

[46] In exercising the authority delegated to me pursuant to the provisions of section 63(3) of the Act, registration LMC714,622 will be maintained for the Wares and Services in compliance with the provisions of section 45 of the Act.

Jean Carrière Member Trade-marks Opposition Board Canadian Intellectual Property Office Certified true translation

Traduction certifiée conforme Arnold Bennett, trad.