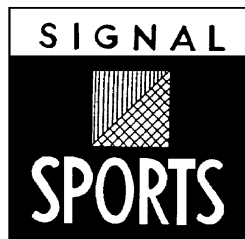


**IN THE MATTER OF A SECTION 45 PROCEEDING
respecting Registration No. TMA 406,657 for the trade-mark SIGNAL SPORTS & Design**

On June 4, 1997, at the request of Messrs. Gowling, Strathy & Henderson, the Registrar forwarded a Section 45 Notice to the Signal Apparel Company, Inc., the registered owner of the above-referenced trade-mark registration.

The trade-mark SIGNAL SPORTS & Design (shown below) is registered for use in association with the following wares:

- (1) Clothing, namely ladies and men's knit activewear, namely, t-shirts, hooded t-shirts, sweatshirts, hooded sweatshirts, shorts and pants.



In response to the Section 45 Notice, the registrant furnished the statutory declaration of David Houseman, together with exhibits. Each party filed a written argument. An oral hearing has not been requested in this proceeding.

In his statutory declaration, Mr. Houseman identifies himself as the Chief Executive Officer of the registrant company. He states that the company sells its products primarily to screen-printers, wholesale distributors and retail t-shirt outlets and that the trade-mark SIGNAL SPORTS & Design has been in continuous use in Canada in association with the wares "clothing, namely tee-shirts, baseball shirts, football jerseys, tank tops, hooded t-shirts, sweatshirts, sweat shorts and sweat pants" (I have underlined the wares that are not listed in the registration) since at least as early as June 27, 1985. Mr. Houseman further states that the company promotes its goods through catalogues distributed to customers and through advertising in trade magazines, the latter which

typically occurs on six to eight occasions per year.

Exhibit 1 to Mr. Houseman's statutory declaration is a copy of the registration for the SIGNAL SPORTS & Design trade-mark.

Exhibit 2 is a label which Mr. Houseman states was used on clothing products covered by the registration in question, as shipped and sold into Canada.

Exhibit 3 consists of invoices for the sale of clothing falling within the scope of the registration in question that were sold in Canada during the relevant period. Mr. Houseman states that the clothing products bore labels carrying the trade-mark SIGNAL SPORTS & Design.

Exhibit 4 is a catalogue in which Mr. Houseman states can be found the style numbers identified in the invoices from Exhibit 3.

Exhibit 5 is another catalogue, which Mr. Houseman describes as "recent" and containing many of the products which Mr. Houseman states have been shipped into Canada. Mr. Houseman also states that this catalogue has been distributed to customers in Canada.

Exhibits 6, 7, 8, 9 and 10 consist of computer printouts of sales in Canada. Mr. Houseman states that the goods reflected in these invoices were shipped to Canada shortly after the invoice dates listed, and he specifically points to sales in 1996 of t-shirts bearing "the trade-mark" to two Canadian companies.

The requesting party's arguments can be summarized as follows:

- 1) the mark as used differs from the trade-mark as registered;
- 2) the ordinary course of the Registrant's trade in Canada is not apparent;
- 3) there is no evidence that the trade-mark was sufficiently associated with the registered wares as required by Section 4(1); and
- 4) the Registrant has not evidenced use with respect to all of the registered wares.

With respect to the requesting party's first argument, I am of the view that only the trade-mark as it appears on the label attached as Exhibit 2 would constitute use of the registered trade-mark.

The trade-mark appearing thereon is as follows:

Such a minor deviation (*i.e.* the dropping of the "s" in SPORTS) is clearly of the acceptable "minuscule difference"-type contemplated by MacGuigan J.A. in *Promafil Canada Ltée v. Munsingwear Inc.* (1992), 44 C.P.R. (3d) 59 at 71 (F.C.A.). Consequently, I conclude that any use shown of such trade-mark constitutes use of the present registered trade-mark.

With respect to the requesting party's second argument, while I agree that the statutory declaration of Mr. Houseman does not contain the exact words "in the normal course of trade", I do not believe this to be required so long as the evidence when considered in its entirety is sufficient to permit me to conclude that the sales of the registered wares referred to in the statutory declaration occurred in the normal course of trade (see *Barlow, Menard & Associates v. Benson & Hedges (Canada) Inc.* (1988), 19 C.P.R. (3d) 312 (T.M.O.B.)). As Mr. Houseman has stated that the registrant sells its wares to screenprinters, wholesale distributors, and retail tee shirt outlets, I am of the view that evidence of sales to such customers would amount to use in the normal course of trade.

Concerning the amount of sales, it is now well established that in certain circumstances, one documented sale can be sufficient to show use within the meaning of the Act, so long as it is not seen to be deliberately manufactured for the purposes of responding to the notice (see *Philip Morris Inc. v. Imperial Tobacco Ltd. (No.2)* (1987), 17 C.P.R.(3d) 237 (F.C.A.) (hereinafter "*Philip Morris*"). Furthermore, as stated in *Coscelebre Inc. v. Registrar of Trade Marks* (1991), 35 C.P.R.(3d) 74 (F.C.T.D.), in Section 45 proceedings the Registrar is not required to find a certain level of commercial activity in order to conclude that the Registrant has proven use.

In the present case, Mr. Houseman has alleged continuous use of the trade-mark in Canada; as this consists of a bare allegation of use I will have regard to the evidence as a whole to determine if use occurred during the relevant period. Concerning a showing of use in the normal course of trade, Mr. Houseman has provided documentary evidence confirming that sales were made by the registrant during the relevant period. Although I have noted that two of the invoices are in respect of “samples” billed to Signal Apparel Sample ACC, Attention Customer Service Dept. Manager, I am satisfied that the other invoices all bearing dates in 1995 appear to show sales in the normal course of trade.

Concerning the items sold, Mr. Houseman has indicated in paragraph 6 of his affidavit that the style numbers in the invoices correspond with the style numbers shown in the catalogue appended as Exhibit 4 which is a 1996 catalogue. Upon close examination of such catalogue, it can be seen that the wares pictured therein appear to bear the label shown in Exhibit 2 (Concerning such catalogue, the original can be found in the related Section 45 proceeding concerning the trade-mark SIGNAL & Design, Registration No. 307,266). However, I have compared the style numbers in the the catalogue with the style numbers in the invoices, and the only style numbers that matches the style numbers in such catalogue are for “t-shirts” i.e. style numbers 01155 and 13200. Concerning the other style numbers in the invoices, they appear to match the style numbers in the catalogue produced as Exhibit 5 which show wares clearly bearing a label showing a trade-mark that is substantially different from the present trade-mark. Consequently, as I am prepared to accept that only Style No. 01155 and No. 13200 would have been associated with the trade-mark as registered, then I conclude that the evidence furnished shows use of the registered trade-mark in association with the wares “t-shirts” only, the item that corresponds to the above style numbers. However, I cannot conclude that it shows use of the trade-mark as registered in association with any other wares.

The Registrant relies on *Saks & Co. v. Registrar of Trade-Marks* (1989), 24 C.P.R. (3d) 49 (F.C.A.) (hereinafter “*Saks*”) in support of its argument that it need not provide direct or documentary evidence of use with respect to each of the wares covered by the same category. It is unnecessary to decide here whether this principle from *Saks* is applicable to the present case,

as it is clear from *Saks* that as a prerequisite, the registrant's affidavit must provide **sufficient facts** to permit the Registrar to conclude that the trade-mark is actually in use in relation to each of the wares. Furthermore, the Rules of Practice with respect to Section 45 proceedings (effective April 1, 1995, published in the *Trade-marks Journal* of March 15, 22 and 29, 1995) clearly indicate that the Registrar may accept a general statement of use within the relevant period **in respect of each of the wares**, together with a description of the use made during the relevant period **in association with each of the wares**, and representative examples of use (emphasis added).

In the present case, the statutory declaration of Mr. Houseman is too vague and unclear to meet either the *Saks* prerequisite or the requirements of the *Rules of Practice*. Paragraph 3 of the statutory declaration contains a broad and vague statement to the effect that the trade-mark SIGNAL SPORTS & Design "has been in continuous use in Canada in association with the wares clothing, namely tee shirts, baseball shirts, football jerseys, tank tops, hooded tee shirts, sweatshirts, sweat shorts and sweat pants, since at least as early as June 27, 1985" (the underlined wares being unregistered wares). However, the only clear evidence of sales during the relevant period are the invoices and the respective computer printouts, and the statements of facts concerning the wares t-shirts. As I have found that only the wares "t-shirts" on the invoices and print-outs would have had a label bearing the trade-mark shown in Exhibit 2, then I conclude that the evidence only shows use of the present registered trade-mark in association with t-shirts.

As for the remaining wares, I conclude they ought to be deleted from the registration.

Consequently, the trade-mark registration will be amended to refer only to "clothing namely ladies' and men's t-shirts".

I have noted the following message appearing on the invoices: "Invoice is payable only to BNY Financial Corp. owner/assignee to whom prompt written notice must be given of any objection to payment". I find it unclear how this affects the present trade-mark. Mr. Houseman is silent on the matter and the issue was not raised by the requesting party. As the sales appear to have been made by the owner of record, I conclude that the use shown is by the registered owner. I have

also noted that some of the invoices do not show sales of the wares to a third party, for example invoice No. 229176 and such invoices were disregarded.

Registration No. TMA 406,657 will be amended so that the statement of wares will read:
clothing namely ladies' and men's knit activewear namely t-shirts, in compliance with the provisions of Section 45(5) of the *Act*.

DATED AT HULL, QUEBEC THIS 6th DAY OF July, 1999.

D. Savard
Senior Hearing Officer
Section 45