LE REGISTRAIRE DES MARQUES DE COMMERCE

THE REGISTRAR OF TRADE-MARKS

Citation: 2013 TMOB 155
Date of Decision: 2013-09-20

IN THE MATTER OF SECTION 45 PROCEEDINGS requested by Miller Thomson Pouliot against registration Nos. TMA567,079 for the trade-mark FRÜZ COOL, TMA567,080 for the trade-mark FRÜZER, TMA567,081 for the trade-mark SMOOTHY FRÜZ and TMA577,145 for the trade-mark FRÜZ in the name of Yogen Fruz Canada Inc.

[1] At the request of Miller Thomson Pouliot, the Registrar of Trade-marks forwarded notices under section 45 of the *Trade-marks Act*, RSC 1985, c T-13 to Yogen Fruz Canada Inc. with respect to the following registrations:

- TMA567,079 for the trade-mark FRÜZ COOL;
- TMA567,080 for the trade-mark FRÜZER;
- TMA567,081 for the trade-mark SMOOTHY FRÜZ; and
- TMA577,145 for the trade-mark FRÜZ.

[2] The trade-marks FRÜZ COOL, SMOOTHY FRÜZ and FRÜZ are registered in association with wares, as detailed in Schedule "A" to this decision. The trade-mark FRÜZER is registered in association with wares and services, as also detailed in Schedule "A".

[3] Section 45 of the *Trade-marks Act* RSC 1985, c T-13 (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 or services specified in the registration at any time within the three year

period immediately preceding the date of the Registrar's notice and, if not, the date when it was last in use and the reason for the absence of such use since that date.

[4] 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 clearing the register of "deadwood". Mere claims of use are insufficient to show the use of the mark [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA), affirming 45 CPR (2d) 62 (FCTD)]. Although the criterion for establishing use is not very demanding and an overabundance of evidence is not necessary, sufficient facts must be presented to enable the Registrar to conclude that the trade-mark has been used in association with each ware or service mentioned in the registration during the relevant period [*Uvex Toko Canada Ltd v Performance Apparel Corp* (2004), 31 CPR (4th) 270 (FC)].

[5] In these cases, the relevant period for showing use is between August 24, 2007 and August 24, 2010.

[6] In response to the Registrar's notices, Yogen Fruz Canada Inc. (the Registrant) furnished one affidavit of Aaron Serruya, the Registrant's President. His affidavit relates to the four trade-marks.

[7] Both parties filed written submissions in each case and were represented at a hearing; the four cases were heard together.

[8] Miller Thomson Pouliot (the Requesting Party) essentially submits that the Serruya affidavit contains bald assertions of use that are insufficient to constitute evidence of use of the trade-marks during the relevant period. The Requesting Party also advances alternate submissions on the evidence furnished by the Registrant. These may be summarized as follows:

(a) the use shown is not in the normal course of trade;
(b) none of the trade-marks has been used during the relevant period in association with the registered wares;
(c) the trade-mark FRÜZ as used is not the registered trade-mark; and
(d) the trade-mark FRÜZER has not been used in association with the registered services.

Summary of the Evidence

[9] I summarize below the evidence that I consider relevant to the issues. I will discuss the evidence further in my subsequent analysis of the issues.

[10] Mr. Serruya states that the Registrant "is the largest domestic and international of frozen yogurt and smoothy beverage retail outlets". He also explains that:

- the Registrant itself, or through authorized franchisees and licensees, operates retail locations with frozen yogurt as their primary products offering along with beverages and other healthy alternative food products;
- the products offerings are principally frozen yogurt mixed with fruit or soft serve, and non alcoholic beverages in the form of dairy and non-dairy smoothies. The retail locations also offer other non-alcoholic beverages in the form of juices and soft drinks; and
- there are over 200 licensed or franchised retail outlets operated by the Registrant in Canada.

[11] Mr. Serruya provides evidence about the use of the trade-marks; this evidence is essentially the same for each trade-mark. Indeed, in each case, Mr. Serruya references the statement of wares covered by the registration. In the case of the trade-mark FRÜZER, he also references the statement of services covered by the registration. Also, in each case, Mr. Serruya states that during the relevant period:

- the Registrant "has effected continuous use" of the trade-mark in association with the wares;
- sales by the Registrant in Canada to its franchisees and licensees under the trade-mark were in excess of $20,000; and
- the Registrant has effected "extensive advertising and promotion of its products under the trade-mark".

[12] Finally, Mr. Serruya files for each trade-mark "representative specimens of advertising and promotional materials featuring use of the trade-mark … during the [r]elevant [p]eriod".

Analysis of the Issues

[13] Given the circumstances of these cases, I will first summarily dispose of the issue of whether the evidence is sufficient to maintain the registration of the trade-mark FRÜZER in association with the registered services.

[14] Afterwards, I will turn to the issues arising from the Requesting Party's submissions about the evidence of use of each trade-mark in association with the registered wares. More particularly, I will start by considering the issue of whether the Serruya affidavit contains bald assertions of use that are insufficient to establish use of the trade-mark, during the relevant period, in association with the registered wares.

Is the evidence sufficient to maintain the trade-mark FRÜZER in association with the registered services?

[15] At the hearing, the Registrant conceded that the second to last page of Exhibit "E", which depicts a mascot identified as FRÜZER, does not by itself establish use of the trade-mark in association with "*promotional services, namely employing a mascot in advertising and in association with the operation of snack bars and food take-out counters specializing in frozen yogurt, and specializing in yogurt and fruit based beverages and food products*". The Registrant also conceded that the Serruya affidavit does not present sufficient facts for me to conclude that the trade-mark FRÜZER has been used during the relevant period in association with these services.

[16] Likewise, at the hearing, the Registrant ultimately agreed with me that the Serruya affidavit does not present sufficient facts for concluding that the trade-mark FRÜZER has been used during the relevant period in association with "*the operation of snack bars and food take-out counters specializing in frozen yogurt, and specializing in yogurt and fruit based beverages and food products*".

[17] In view of the above, I conclude that the Serruya affidavit does not evidence use of the trade-mark FRÜZER in association with the registered services during the relevant period.

Further, the Serruya affidavit does not put forward special circumstances to justify the absence of use.

> *Does the Serruya affidavit contain bald assertions of use that are insufficient to establish use of the trade-mark, during the relevant period, in association with the registered wares?*

[18] This issue may be determinative because the filing of an affidavit that does not disclose the facts amounts to a failure to furnish the evidence required under section 45 of the Act [*Plough (Canada) Ltd*, *supra*, at p 68 (*Plough*)]. In other words, if the answer to the question is "yes", each case will have to be decided on the same basis as if no affidavit had been filed by the Registrant.

[19] In these cases, the use of the trade-marks in association with the registered wares is governed by section 4(1) of the Act, which reads:

> 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.

[20] At the hearing, the Registrant contended that the Requesting Party took an overly technical approach in its analysis of the evidence. The Registrant submitted that the affidavit goes far beyond containing bald statements of use because, in each case, Mr. Serruya:

- clearly states that the Registrant has used the trade-mark during the relevant period in association with the wares covered by the registration;
- provides sales figures for sales in Canada by the Registrant to its franchisees and licensees during the relevant period; sales by the Registrant to the licensees and franchisees are sales in the normal course of trade [*Kvas Miller Everitt v Compute (Bridgend) Ltd* (2005), 47 CPR (4th) 209 (TMOB)]; the absence of invoices attesting to these sales in not fatal to the Registrant's case [*88766 Canada Inc v Alloy Rods Global, Inc* (2012), 102 CPR (4th) 56 (TMOB)]; and

- provides representative specimens of advertising and promotional material featuring the trade-mark in association with the wares offered for sale and sold during the relevant period [*Swabey Ogilvy Renault v Golden Brand Clothing (Canada) Ltd* (2002), 19 CPR (4th) 516]. The Registrant contended that in each case the specimens either show the trade-mark depicted on a container for the wares or in such other manner that there was a notice of association between the trade-mark and the wares at the time of the transfer of the property in or possession of the wares in the normal course of trade.

[21] Finally, the Registrant cited *Fairweather Ltd v Registrar of Trade-marks et al* (2006), 58 CPR (4th) 50, affirmed 62 CPR (4th) 266 (FCA) (*Fairweather*) in support of its contention that any doubts there maybe with respect to the evidence must be resolved in its favour.

[22] For the reasons that follow, the Registrant's written and oral submissions did not convince me that the Serruya affidavit presents sufficient facts for concluding that the trade-marks FRÜZ COOL, FRÜZER, SMOOTHY FRÜZ and FRÜZ have been used during the relevant period in association with each of the registered wares under section 4(1) of the Act.

[23] First, in *Diamant Elinor Inc v 88766 Canada Inc* (2010), 90 CPR (4th) 428 (FC) the Court provided general guidelines as to when the Registrar can draw inferences from the evidence as whole in a section 45 proceeding. Both *Fairweahther* and *Plough* were referenced by the Court in reaching the conclusion that "…the registrant bears the full burden of proof and any ambiguity in its affidavit should be interpreted against it" [*Diamant Elinor Inc, supra,* at para 16].

[24] Second, it is trite law that each case must be decided based upon its own merit. The decisions cited by the Registrant are of interest only to the extent that they relate to expungement proceedings under section 45 of the Act. Otherwise, the specific facts of all of the cases cited by the Registrant are distinguishable from the facts of the cases before me.

[25] For instance, in *Swabey Ogilvy Renault, supra,* the annual sales figures were broken down by categories of wares, i.e. shirts, sport coats, ties, pants, sport shirts and dress shirts. In the present proceedings, the Registrant did not break down the sales figures by categories of

wares, such as frozen yogurt and smoothies, be it dairy or non-dairy smoothies. Further, contrary to the present proceedings, the documentary evidence filed in *Swabey Ogilvy Renault* was not restricted to advertisements. There was corroborating evidence of labels showing the mark and randomly selected garments with labels showing the mark.

[26] Third, even though in each case Mr. Serruya states that the trade-mark has been used in association with the wares covered by the registration during the relevant period, Mr. Serruya does not state that the trade-mark has been used in association with *each* of the registered wares. Moreover, Mr. Serruya does not describe what he refers to as use of the trade-mark. It was found in *Plough* that the failure to describe what is referred to as use of the trade-mark "leaves in doubt the meaning of what is said". More particularly, the Court stated, at page 67:

> A deponent who does not describe what he refers to as use of the trade mark may well be saying in ordinary language that he is using the trade mark when in fact all that is happening is that it appears in advertising of the business of the registrant. Regarding that as the meaning of what he is saying, the deponent might rest his conscience in the belief that what the affidavit says is, in a sense, true and justifiable. But the use of which evidence is required is trade mark use, in the case of wares, use of the kind referred to in s. 4 by the mark being marked on wares or their packages or associated with wares at the time of their sale or delivery in the normal course of trade and for the purpose of distinguishing the wares as those manufactured or sold by the owner of the trade mark from the goods of others. The affidavit does not show that the word is used in that sense since it does not say what is being done or in what sense the word is used.

[27] The fact that Mr. Serruya does not describe what he refers to as use of each trade-mark is only one of the ambiguities ensuing from the evidence furnished by Mr. Serruya, as discussed hereafter.

[28] While in each case Mr. Serruya states that, during the relevant period, sales *under the trade-mark* were in excess of $20,000, as I previously indicated the sales figures are not broken down by categories of wares. It could be that the sale figures relate to only some of the registered wares covered by the corresponding registration. For example, in the case of the trade-mark FRÜZ COOL they could relate to sales of the registered wares "*granita beverages*", as detailed in Schedule "A"; not to sales of the registered wares "*non-dairy frozen treat*".

[29] Also, I acknowledge that in each case Mr. Serruya states that the specimens are representative of advertising and promotional materials "featuring use of the trade-mark" during the relevant period. However, I reiterate that Mr. Serruya references the advertising and promotion of the "products" of the Registrant under each trade-mark; there is no clear statement that they are representative specimens of materials "featuring use of the trade-mark" in association with the registered wares. In any event, I am not prepared to infer that the word "products" in the context of Mr. Serruya's statement about the advertising and promotional materials is meant as a reference to the registered wares, especially as the Registrant's evidence is that the retail locations also offer other non-alcoholic beverages in the form of juices and soft drinks.

[30] Accordingly, the question becomes whether the advertising and promotional materials filed as Exhibits "C", "E", "G" and "I" are by themselves sufficient to unravel the ambiguities of the evidence about the use of the trade-marks in association with each of the registered wares during the relevant period. For the reasons that follow, I conclude that these exhibits are not of assistance to the Registrant's case.

[31] First, the quality of reproduction of a significant part of the material is questionable. In any event, I agree with the Requesting Party that any material filed as part of the exhibits is of little value, if any, when the quality of reproduction does not allow to locate the trade-mark or to read the wording on the material [*Goudreau Gage Dubuc LLP v Weyerhauser Company Limited*, 2010 TMOB 199 (TMOB)].

[32] Second, except for a broad reference to advertising and promotional materials, Mr. Serruya does not indicate the exact nature of any of the materials. In my view, this only adds to the ambiguity of the evidence.

[33] Finally, it is trite law that the use of a trade-mark in advertising is not in itself sufficient to constitute use of a trade-mark in association with wares under section 4(1) of the Act. The advertisements and promotional material would have had to be given at the time of transfer of the property in or possession of the wares [*Nissan Canada Inc v BMW Canada Inc* (2007), 60 CPR (4th) 181 (FCA)]. Yet, there are not any statements in the Serruya affidavit that it was the case.

[34] It is with all of the above comments in mind that I now turn to the review of each exhibit according to the corresponding trade-mark referenced by Mr. Serruya. In my review of the exhibits below, I only discuss pages that either show the trade-mark depicted on a container or in such other manner that there may have been the required notice of association between the trade-mark and the wares. In other words, I disregard any pages that only display the trade-mark in advertisements or promotional material.

Exhibit "C" – Trade-mark FRÜZ COOL

[35] I agree with the Registrant that each page of the three-page exhibit depicts the trade-mark on a beverage cup. Thus I accept that they show the trade-mark on a container for wares. Still, these specimens do not unravel the ambiguities of the evidence about the use of the trade-mark, during the relevant period, in association with the registered wares.

[36] For one thing, the first two pages appear to be extracts from a document, i.e. pages 6 and 17, providing information about the Registrant and its products. I agree with the Requesting Party that these pages are likely extracts of a corporate document, which adds to the ambiguity of them being filed as specimens of advertising and promotional materials. I also agree with the Requesting Party's oral submissions that the reference to the year 1993 in the lower right corner of page 6 is not explained by Mr. Serruya, nor was it explained by the Registrant at the hearing [first page of the exhibit]. The same is true for the reference to the year 1996 in the lower right corner of page 17 [second page of the exhibit].

[37] I acknowledge that there is a description of the FRÜZ COOL product on page 17 of the document, which I reproduced below.

> …This great tasting drink is a combination of our Fruity Ice and Smoothy products and comes in two flavours Orange n'Cream and Cherry n'Cream. This product is made with Non-Fat Vanilla frozen yogurt and will appeal to both the Fruity Ice and Smoothy customers…

[38] However, this description within the corporate document is of little value, if any. For one thing, page 17 of the document discusses the introduction of the "Smoothy Program in the summer of 1997". Also, in my view the description at most can be read as a description of the registered wares "*granita beverages, namely fruit flavoured, non-carbonated, non-alcoholic*

beverages that are a blend of frozen yogurt, fruit and crushed ice, and that are designed to be served cold". In other words, it cannot be read as a description of the registered wares "*non-dairy frozen treat*".

[39] Finally, I infer that the third page of the exhibit it is a photocopy of a coupon. Still, the reproduction of the coupon is of very poor quality. Although I see the trade-mark on the coupon, including on a beverage cup, a significant portion of the wording at the bottom is illegible. Because of this illegible wording, I am not prepared to accept that the coupon shows use of the trade-mark on a container for wares during the relevant period. In that regard, I note that two coupons filed under Exhibit "G" concerning the trade-mark SMOOTHY FRÜZ reference the year 1998. I will return to these two coupons.

Exhibit "E" – Trade-mark FRÜZER

[40] I infer that the first two pages illustrate material intended for the Registrant's franchisees and licensees. Contrary to the Registrant's written submissions, they do not show the trade-mark on packaging. If they do, then I am not able to locate the trade-mark due to the quality of reproduction.

[41] That being said, I acknowledge that the first page displays product shots of a cone, pies and a shake with the mention FRÜZER CONE, FRÜZER PIES or FRÜZERSHAKE below the corresponding product shot. However, with due respect for the Registrant's contention, this does not amount to the display of the trade-mark *on packaging* for yogurt cones, pies and shakes.

[42] As for the second page, I infer that it illustrates promotional materials sold to the Registrant's franchisees and licensees for use in their retail outlets. However, I am unable to locate the trade-mark anywhere else than on a poster displaying FRÜZER SHAKE. Still, there is no evidence for me to conclude that the poster has been purchased by any franchisees or licensees during the relevant period. Nor is there evidence showing that the poster was displayed at a retail outlet during the relevant period in such a manner that it created the required notice of association between the trade-mark FRÜZER and the yogurt shakes.

Exhibit “G” – Trade-mark SMOOTHY FRÜZ

[43] I disagree with the Registrant’s written submissions that each page of the exhibit displays the trade-mark on a cup. At most only the fourth page, which is identical to the second page of Exhibit “C”, displays *a* trade-mark on beverage cups. However, given the poor quality of reproduction, I only discern *possibly* the word SMOOTHY above another illegible word.

[44] As I previously indicated, there are two coupons included in the exhibit. These two coupons, reproduced on the second page, display the trade-mark. At the hearing, the Requesting Party disputed their evidentiary value. First, it submitted that there is no evidence for concluding that the hand out of coupons for a *free* non-fat yogurt is part of the Registrant’s normal course of trade. Further, the Requesting Party pointed out that the wording at the bottom of each coupon references the year 1998. In reply, the Registrant submitted that I can take judicial notice that the handing out of coupons is part of the normal course of trade in the food industry, but it did not make any submissions about the year.

[45] Although not obvious in view of the poor quality of reproduction, there is a reference to the year 1998 on each coupon. Thus, I agree with the Requesting Party’s that it is reasonable to conclude that these coupons do not cover the relevant period. Accordingly, it is unnecessary to deal with the parties’ submissions about whether they evidence use in the normal course of trade.

[46] Finally, I infer that the third page of the exhibit illustrates materials sold to the Registrant’s franchisees and licensees for use in their retail outlets. Once again, I am unable to locate the trade-mark anywhere else than on a poster. Further, as I have no reasons to conclude otherwise as I did under Exhibit “E”, I conclude that this evidence is of no value.

Exhibit “I” – Trade-mark FRÜZ

[47] Since the Registrant submits at paragraph 17 of its written submissions that “each of the pages of Exhibit “I” clearly depict use of the trade-mark FRÜZ COOL on a cup”, I presume it meant to refer to the trade-mark FRÜZ. Still, I disagree with the Registrant’s submissions that *each page* of the exhibit displays the trade-mark on a cup. At most, I can see a cup displaying YOGEN FRÜZ on the second page.

[48] It should be remembered that the Requesting Party submits that use of the word "früz" in combination with other words, such as "yogen" is not use of the registered trade-mark. In a nutshell, the Requesting Party submits that YOGEN FRÜZ would be perceived as a composite trade-mark; not as the trade-mark FRÜZ per se [*Canada (Registrar of Trade-marks) v Compagnie International pour l'informatique CII Honeywell Bull* (1985), 4 CPR (3d) 523 (FCA)]. That being said, I do not need to consider the deviation issue at this point because it is apparent that the cup contains *frozen yogurt* whereas the trade-mark FRÜZ is registered in association with *smoothies,* as detailed in Schedule "A".

[49] Finally despite the fact that Mr. Serruya only references Exhibit "I" as specimens of advertising and promotional materials "featuring use" of the trade-mark FRÜZ, in its written submissions the Registrant relies on Exhibits "E" and "G" as well. While the deviation issue also arises from these other exhibits, it does not need to be considered because I find they are of no assistance for the following reasons:

- Exhibit "E/first page: any mentions of FRÜZ below a product shot does not amount to the display of the trade-mark on packaging for wares;
- Exhibit "E"/second page and Exhibit "G"/third page: there is no evidence that promotional material displaying YOGEN FRÜZ has been purchased by franchisees or licensees during the relevant period, nor that it was displayed at retail outlets in such a manner that it created the required notice of association;
- Exhibit "E"/fifth page: it is apparent that the cup shown by the photograph contains frozen yogurt whereas the trade-mark is registered for smoothies.
- Exhibit "G"/fifth page: despite the poor quality of reproduction, I can see YOGEN FRÜZ displayed on at least one of the three glasses that contain beverages. However, given Mr. Serruya's testimony that the retail locations offer "other non-alcoholic beverages in the form of juices and soft drinks", I am not prepared to infer that the shown beverages are smoothies. Even if were to conclude that they are, it is still unclear whether these beverages correspond to "*smoothies made with frozen yogurt, fruit and fruit juices*" or "*non-dairy smoothies made with fruit and fruit juices*", as stated in the registration.

[50] In view of the above, I conclude that the Serruya affidavit amounts to nothing more than bare assertions of use of the type that was held unacceptable in *Plough*. It does not establish that each trade-mark has been used in association with each of the registered wares during the relevant period, nor can this use be inferred from it.

[51] Accordingly, it is not necessary to consider any other issues arising from the Requesting Party's alternate submissions. As I previously indicated, the failure to provide an affidavit that discloses facts to enable me to conclude that each trade-mark has been used in association with each registered ware during the relevant period amounts to a failure to furnish the evidence required under section 45 of the Act.

Disposition

[52] I find that the Registrant's evidence does not establish use of the trade-mark FRÜZER in Canada in association with each of the registered services within the meaning of sections 4(2) and 45(1) of the Act. Further, the Registrant has provided no evidence of special circumstances excusing the absence of such use.

[53] I also find that the Registrant has failed to provide evidence establishing use of the trade-marks FRÜZ COOL, FRÜZER, SMOOTHY FRÜZ and FRÜZ in Canada in association with each of the registered wares within the meaning of sections 4(1) and 45(1) of the Act.

[54] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act, registration Nos. TMA567,079, TMA567,080, TMA567,081 and TMA577,145 will be expunged in compliance with the provisions of section 45 of the Act.

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Céline Tremblay
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

Schedule “A”

Trade-mark	Registration No.	Wares/Services
FRÜZ COOL	TMA567,069	Wares: (1) Granita beverages, namely fruit flavoured, non-carbonated, non-alcoholic beverages that are a blend of frozen yogurt, fruit and crushed ice, and that are designed to be served cold. (2) Non-dairy frozen treat.
FRÜZER	TMA567,080	Wares: (1) Food products, namely yogurt cones and yogurt pies; non-carbonated, non-alcoholic beverages, namely yogurt shakes. Services: (1) Promotional services, namely employing a mascot in advertising and in association with the operation of snack bars and food take-out counters specializing in frozen yogurt, and specializing in yogurt and fruit based beverages and food products; the operation of snack bars and food take-out counters specializing in frozen yogurt, and specializing in yogurt and fruit based beverages and food products.
SMOOTHY FRÜZ	TMA567,081	Wares: (1) Non-carbonated, non-alcoholic beverages, namely smoothies made with frozen yogurt, fruit and fruit juices, and non-dairy smoothies made with fruit and fruit juices.
FRÜZ	TMA577,145	Wares: (1) Non-carbonated, non-alcoholic beverages, namely smoothies made with frozen yogurt, fruit and fruit juices, and non-dairy smoothies made with fruit and fruit juices.