

**SECTION 45 PROCEEDINGS**  
**TRADE-MARK: QUANTUM**  
**REGISTRATION NO.: 181,295**

On December 23, 1991, at the request of Messrs. Barrigar & Oyen, the Registrar forwarded a Section 45 notice to Quantum Management Services Limited, the registered owner of the above-referenced trade-mark registration.

The trade-mark QUANTUM was registered on February 11, 1972. The registration covers the following wares and services:

WARES/MARCHANDISES:  
Computer programs.

SERVICES:

(1) The provision of management and personnel services. (2) Computer programming; consulting in relation to computer applications; job placement of computer personnel.

In response to the Registrar's notice, the registrant furnished the affidavit of Lyon Gould, President of the registrant company and of Quantum Information Resources Ltd., which company was registered as a registered user of the trade-mark for the wares and services during the relevant period.

Each party filed a written submission and was represented at an oral hearing.

At the oral hearing, counsel for the registrant pointed out that the registrant might submit additional evidence. The additional evidence could not be provided at the hearing, because of its confidential nature, and because the registrant still had to obtain permission from its customers to submit it. I informed counsel for the registrant that if it intended to submit additional evidence, then the registrant would have to request a retroactive extension of time and would have to comply with the requirements of Section 47(2) of the Act. I gave the registrant a week to make its request.

I have now received the registrant's request for a retroactive extension of time without the proposed additional evidence. It appears that the registrant is still not in a position to file the additional evidence. I find it is difficult to determine if a retroactive extension of time ought to be granted to submit additional evidence when such proposed evidence is not submitted with the request or is not already on file.

Nevertheless, in its letter of September 24, counsel for the registrant submits that the proposed additional evidence would include part of the "deliverables" transferred to the registrant's customers upon termination of a contract, which are the user's guide

and strategic documents.

As Exhibit A, to his letter of September 24, counsel for the registrant has attached a page from a user's guide dated October 16, 1991 and he states that clearly this is an example of the use of the trade-mark QUANTUM in association with a customized computer program. Further, he submits that this illustrates the use of the mark in association with wares and is a particular example of a contract in which deliverables were transferred to the customer in association with the said trade-mark.

Concerning Exhibit A, I must say that I totally agree with the requesting party's comments in its letter of September 26 that Exhibit A shows use of QUANTUM as a trade-name and that use of QUANTUM as a trade-mark to distinguish the registrant's wares from the wares of others is not shown by this example.

As the proposed evidence has not been submitted, and as I find Exhibit A (which is stated to be a clear example of use with the wares) not to constitute evidence of use of the trade-mark in association with wares, I conclude that the registrant's request under Section 47(2) of the Act appears to be unjustified. Furthermore, I am not satisfied that the failure to apply for an extension of time within the extended statutory time limit was not reasonably avoidable. Consequently, I hereby refuse to grant the registrant's request for a retroactive extension of time. I will now turn to the evidence of record.

In its written submission, the requesting party has conceded that use of the trade-mark has been shown with the registered services. I have reviewed the evidence and am satisfied that the evidence shows use of the trade-mark QUANTUM within the relevant two-year period with the services. Consequently, the registration ought to be maintained for the services.

The only issue now is whether the evidence shows use in association with the wares: computer programs.

The requesting party submits that the registrant does not provide software; that the evidence does not show the existence of computer programs associated with the trade-mark or a transfer of the property or possession of wares; it submits that what the registrant provides is customized software services, not wares.

In its written submission, the registrant submits that when it provides computer

programming services, its clients are fully aware of the fact that at the same time, they are also purchasing a "QUANTUM" computer program. It then adds that in today's modern technological society, there are many intangible wares such as computer software which cannot be distinguished in the traditional fashion from the services and cannot be separated from one another.

At the hearing, counsel for the registrant mentioned that the product created by the programmer and used on a daily basis by the purchaser is a custom made program and would be referred to as a QUANTUM program; that the trade-mark QUANTUM does not appear on the program since in most situations the customer does not want the name of the person or company who created the program on it.

He referred to Exhibit L which he submits contains, in part, custom made programs created by Quantum. He stated that with respect to such programs, the registrant company contracted to deliver programs and that it is programs that were delivered. However, there is no copy of a contract in evidence and if Exhibit L could be said to contain references to custom made programs. there is no indication that such programs have been sold or licensed in association with the trade-mark QUANTUM in the manner required by Section 4(1) of the Act; furthermore, there is no evidence as to when such programs were designed or created. Concerning the contracts entered into by the registrant, such contracts might refer to services to be performed by QUANTUM without any reference to a QUANTUM custom made program.

In my view, if the registrant has used the trade-mark in association with wares, it has failed to show such use pursuant to Section 4(1) of the Trade-marks Act.

If a transfer of the property in or possession of wares in the normal course of trade occurs when the registrant creates "custom made programs" for its customers, the evidence of record fails to show that at such time notice of the association between the trade-mark and the wares is given to the purchaser of the program in the manner prescribed by Section 4(1) of the Act. Counsel for the registrant has stated that the trade-mark QUANTUM does not appear on the screen nor on the program when accessed and there is no contract or any other documents in evidence referring to a QUANTUM custom made program. The evidence submitted with respect to the trade-mark QUANTUM is in association with services. It clearly shows that Quantum Information Resources Ltd. is a computer systems development company that provides different services including computer programming and consulting in relation to computer applications which services are advertised under the trade-mark QUANTUM. The exhibits do not contain any reference

to QUANTUM custom made computer programs. Furthermore, all of the invoices which bear the name QUANTUM at the top thereof seem to be for "services" rendered. In my view, the evidence shows QUANTUM appearing as a trade-name (in that it refers to the company) or as a trade-mark in association with services it provides.

Consequently, in view of the above, I conclude that use of the trade-mark QUANTUM in association with the wares "computer programs" has not been shown in the manner prescribed by Section 4(1) of the Trade-marks Act. Accordingly, the wares ought to be deleted from the trade-mark registration.

Registration No. 181,295 will be amended accordingly in compliance with the provisions of Section 45(5) of the Trade-marks Act.

DATED AT HULL, QUEBEC, THIS 3<sup>RD</sup> DAY OF NOVEMBER

1994.

D. Savard  
Senior Hearing Officer