

SECTION 45 PROCEEDINGS  
TRADE-MARK: OMEGA  
REGISTRATION NO. 229177

On August 24, 1989, at the request of Messrs. Smart & Biggar on behalf of Omega Corporation, the Registrar forwarded a Section 45 notice to Omega Apparel Limited, the registered owner of the above-referenced trade-mark registration.

The trade-mark OMEGA was registered on July 21, 1978 for use in association with ties, scarves and handkerchiefs; belts; bathrobes; bathing suits and beach robes.

In response to the Registrar's notice, the affidavits of Glynn Davies, President of Omega Apparel (1988) Ltd.; Stanley Cooper, General Manager of 745723 Ontario Inc. trading as Omega Scarves; and Janet Greenspoon, Director of Azor Manufacturing Ltd. were furnished by the registrant. The company 745723 Ontario Inc. is a registered user of the trade-mark for the wares "scarves"; Azor Manufacturing Ltd. is a registered user with respect to the wares "belts". The requesting party filed a written submission; no oral hearing was conducted.

In his affidavit, Mr. Davies states that his company, Omega Apparel (1988) Ltd., manufactures and sells bathrobes, beach robes and bathing suits across Canada to major department stores, chain stores and small independent stores; the trade-mark OMEGA being applied to these garments by way of labels. As Exhibit 2, representative specimens of these labels were submitted. The requesting party has commented that one label submitted in Exhibit 2 of the affidavit of Glynn Davies bears the number CA 00375; it is further submitted that the company associated with this number is neither the registered owner or a registered user of the present trade-mark. However, this is a matter of evidence and as in Section 45 proceedings, the only evidence which can be considered is that which has been submitted by the registrant, the comments made relative to the CA number have been disregarded. Notwithstanding the above, I am of the view that the public might have no knowledge as to the meaning of such number on the label; and therefore would not perceive the CA number as representing a company.

Concerning the use shown of the trade-mark, it is further stated in the affidavit that the wholesale value of garments bearing the trade-mark OMEGA which were



shipped by the registrant in the calendar year 1989 was not less than \$100,000.00 representing not less than one thousand bathrobes, one thousand beach robes and one thousand dozen bathing suits. In view of the high volume and value of sales in 1989, I conclude that subject mark was in use at the material date in Canada in the normal course of trade in association with bathrobes, beach robes and bathing suits. The issue therefore is whether the use by Omega Apparel (1988) Ltd. in association with bathrobes, beach robes and bathing suits is use by the registered owner.

Mr. Davies has stated as follows in his affidavit: "In about June 1988, my company acquired all assets and goodwill of the registered owner by way of parole agreement, and since that time my company has in effect assumed the mantle of the registered owner". He has also stated that his company was incorporated expressly in 1988 for the purpose of continuing the business of Omega Apparel Ltd., which was identified on the registration as the owner when the S. 45(1) notice issued. As Exhibit 1, he submitted a certified copy of an affidavit of Morris Fuchs, (President of Omega Apparel Ltd.) wherein Mr. Fuchs confirms that "in about November 1988" Omega Apparel Ltd. entered into an agreement with Omega Apparel (1988) ltd. whereby as of that date his company sold and transferred several trade-marks including the present trade-mark.

The requesting party submits that no such assignment ever did take place nor was there an attempt to record a confirmatory assignment in the Trade-marks Office. However, the original affidavit of Mr. Fuchs was filed with the Assignment Section of the Trade-Marks Office on February 22, 1990 as assignment documentation; as the assignment related to several other trade-marks, the document was placed only on a master file, i.e. application No. 371,631. Although I have noted a discrepancy regarding the date of the transfer of the trade-mark in that Mr. Davies mentions "in about June 1988" as the time of the transfer, whereas Mr. Fuchs claims it was "in about November 1988", it seems clear that the transfer of the trade-mark did occur in 1988, well before the issue of the Section 45 notice.

Furthermore, although this assignment has not yet been officially recorded, a transfer does not have to be registered to make it valid. (see Gordon Kightley

v. Registrar of Trade-marks et al. (1981), 65 C.P.R. (2d) 36 and Meredith & Finlayson v. Berg Equipment Co. (Canada) Ltd., as yet unreported, Court No. T-1108-90, judgement rendered July 2, 1992). Furthermore, the present situation can be distinguished from Marcus, carrying on business as Marcus & Associates v. Quaker Oats Co. of Canada 20 C.P.R. (3d) 46 in that the document does not purport to assign retroactively but actually confirms a transfer that took place in 1988. In Section 45 proceedings, in the case of a change of ownership, the new owner must establish the date of said change by filing sufficient documents to allow the Registrar to conclude that the evidence in Section 45 proceedings is furnished by the registered owner, a registered user, or a person entitled to recordal as such (see Bell & Arkin v. Polylab Inc., Section 45 decision dated August 7, 1990, serial No. 487,695). From the documents filed, I am satisfied that the affidavit of Glynn Davies is considered to have been submitted by the person entitled to be registered as registered owner and the use shown in respect to bathrobes, beach robes and bathing suits is considered to be by the proper owner (see Meredith & Finlayson v. Berg Equipment, supra). However, if I am wrong in concluding that use can be by a person entitled to recordal as registered owner, I conclude that the non-use by Omega Apparel Ltd., in this instance, is considered to be merely technical in nature, there being special circumstances to excuse the absence of use since at the material date it no longer owned the trade-mark and since steps were taken by the new owner to be officially recorded as such on the register. Consequently, having regard to the evidence filed and bearing in mind the purpose of Section 45, I conclude that the trade-mark registration should be maintained for "bathrobes, beach robes and bathing suits".

In the affidavit of Stanley Cooper, General Manager of 745723 Ontario Inc. (registered user with respect to scarves), trading as Omega Scarves, it is stated that such company manufactures and distributes scarves which are sold in the normal course of trade to major chain stores in Canada such as Zellers and Towers. Due to the highly seasonal nature of the business, Mr. Cooper states that scarves are predominately shipped to customers in the three month period September to November inclusive in response to orders received earlier in the year of which not less than five hundred thousand scarves having a retail value of not less than about \$4,000,000.00 have been shipped in the three month period

September to November 1989. It is further stated that the trade-mark OMEGA is applied to packages in which approximately 25% of the scarves were shipped during the period September to November 1989; Exhibit 1 being representative of said package. From the foregoing, it can be concluded that approximately one hundred and twenty-five thousand scarves were distributed in packaging bearing the trade-mark OMEGA during the period mentioned hereinabove.

Commenting on Mr. Cooper's affidavit, the requesting party submits that it is not clear that the trade-mark was associated with any of the scarves sold in 1989. On this point, I respectfully disagree with the requesting party. Mr. Cooper has stated that the trade-mark OMEGA is applied to packages in which approximately 25% of the scarves referred to in paragraph 4 of the affidavit were shipped; paragraph 4 refers to sales of scarves during the period September to November 1989. Although the scarves were shipped subsequent to the date of the Section 45 notice, orders were obviously placed prior to the issuance of the notice (see statement made in paragraph 3 of the affidavit). With respect to use subsequent to the notice date I rely on John Labatt Limited v. Rainier Brewing Co. (1984) 80 C.P.R. (2d) 228. Consequently, the trade-mark registration should be maintained for "scarves".

In her affidavit, Janet Greenspoon, Director of Azor Manufacturing Ltd. (the registered user for belts) states that her company distributes belts and for the past several years has sold in Canada not less than about one thousand dozen belts per month directly to its customers of which approximately 75% had the trade-mark OMEGA applied thereto; as Exhibit 2 she submits specimens of representative belting. However, the trade-mark shown on the belting consists of the words "BY OMEGA". I have doubts as to whether such words would be perceived by the public as use of the trade-mark OMEGA per se; such expression might be perceived as a reference to the entity who manufactured the wares. Concerning the representative orders for the months of June and July, 1989 which were submitted as Exhibit 1, they show the vendor as Omega Belt Co. Concerning that company, although its address on the order forms is identical to the address given by Ms. Greenspoon in her affidavit for premises maintained by Azor Manufacturing Ltd., its relationship with Azor Manufacturing Ltd. has not been explained. As such company is not the registered owner or an approved registered

that the evidence presented in association with belts, does not allow me to conclude that the use was by a registered user or the registered owner.

None of the affidavits filed either states or shows use of the trade-mark in association with "ties and handkerchiefs". In the absence of facts from which use could be inferred, I have no alternative but to conclude that the trade-mark was not in use in Canada by registrant in association with these wares at the material date.

In view of the evidence filed in these proceedings, I have concluded that use of the trade-mark OMEGA has been shown within the meaning of Section 2 and 4(1) of the Trade-marks Act in association with scarves, bathrobes, bathing suits and beach robes. Consequently, the trade-mark registration ought to be amended to delete the wares "ties, handkerchiefs and belts" from the register.

Registration No. 229,177 will be amended accordingly in compliance with the provisions of Section 45(5) of the Trade-marks Act.

DATED AT HULL, QUEBEC, THIS

*30th* DAY OF *November*

1992.

D. Savard  
Senior Hearing Officer  
Section 45