SECTION 45 PROCEEDINGS TRADE-MARK: GOING OVER THE FALLS IN A BARREL <u>REGISTRATION NO. TMA419,870</u>

On September 13, 2005, at the request of Digital Attractions Inc., the Registrar issued the notice prescribed by s. 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the "Act") to L.N.W. Enterprises Ltd., the registered owner of registration No. TMA419,870 for the trade-mark GOING OVER THE FALLS IN A BARREL (the "Mark"). The Mark is registered in association with the following wares and services:

- Post cards, promotional pamphlets, photographic mounts
- Photographic services, advertising and promotion of entertainment, dining and amusement facilities of others by the distribution of promotional pamphlets, postcards and photographic mounts

Section 45 requires the registered owner of a trade-mark to indicate whether the mark has been used in Canada in association with each of the wares and services listed in the registration at any time during the three years preceding the date of the notice, in this case between September 13, 2002 and September 13, 2005. If the mark has not been used during that time period then the registered owner is required to indicate the date on which it was last used and the reason why it has not been used since that date.

What qualifies as use of a trade-mark is defined in s. 4 of the Act, which is reproduced below:

4. (1) 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.

(2) A trade-mark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

(3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.

In response to the s. 45 notice, the registered owner filed the affidavit of its President, Louis Wolffe. Only the requesting party filed a written argument. I will take this opportunity to state that I have disregarded all portions of the requesting party's argument in which it refers to details not set out in Mr. Wolffe's affidavit.

The registered owner initially requested that an oral hearing be held but later advised that it no longer desired to be heard.

Mr. Wolffe informs us that the registered owner acquired the Mark from its predecessor-in-title Souvenir Photos International Limited in 1994 (the registration shows that this assignment was recorded in 1995). Mr. Wolffe attests that the registered owner has been using the Mark in Canada in association with all the wares and services set out in its registration continuously from November 21, 1994 and that in particular, it was using the Mark as of September 13, 2002 in association with each of the wares and services. He states, "Annual sales of the wares and services bearing the GOING OVER THE FALLS IN A BARREL trade-mark provided by my Company in Canada in the relevant period were well in excess of 150,000 per year." He further states that use has been on the wares themselves, and or packaging and on promotional material, invoicing, letterhead, advertising and promotional materials therefor. I will therefore assess the exhibits provided by Mr. Wolffe in order to determine if they substantiate his claims.

Exhibit "A" is described as "picture mounts and pictures sold by my Company in Canada in association with the wares and services set out in the Registration during the relevant period and bearing the trademark GOING OVER THE FALLS IN A BARREL." We have been provided with three pieces of printed material, designed to hold a photograph, which I accept are "photo mounts". They bear the registered owner's name and display several phrases, which are identified as trade-marks, through the use of ®, including "GOING OVER THE FALLS IN A BARREL"®. The requesting party has submitted that this is not use as a trade-mark, but rather use of a descriptive phrase. It further points out that "GOING OVER THE FALLS IN A BARREL"® is preceded by The Most Exciting Souvenir of all is a PHOTO of YOU ..., which it submits further emphasizes the descriptive nature of the use. Nevertheless, I accept that Exhibit "A" shows use of the Mark. Section 45 proceedings are summary proceedings directed to the issue of whether a mark is in use and are not intended to deal with more complex issues such as whether a registered mark is being used in a descriptive manner. I also note that there are more than 2 cms. between the two phrases and that the words GOING OVER THE FALLS IN A BARREL are further set apart by being displayed in bold lettering, resulting in the Mark *per se* being perceived as a trade-mark as a matter of first impression. [See *Nightingale Interloc Ltd. v. Prodesign Ltd.* (1984), 2 C.P.R. (3d) 535 (T.M.O.B.) at 538-9.]

Exhibit "B" is "representative sales records for the pictures and mounts bearing the trade-mark GOING OVER THE FALLS IN A BARREL sold by my Company in the relevant period in Canada." Two documents have been provided dated September 10, 2005 and September 10. They are shift reports that indicate the number of photos and mounts sold by the reporting employee. In particular, the September 10, 2005 report indicates that 29 photos and mounts were sold.

Exhibit "C" is evidence of the purchase by the registered owner of the photo mounts in question from a printing company during the relevant time period.

Mr. Wolffe describes Exhibit "D" as "discount coupons bearing the trade-mark GOING OVER THE FALLS IN A BARREL. These coupons are typical of coupons that have been distributed in Canada in the relevant period (except that my Company's name would appear where my Company's predecessor appears)..." No explanation was given as to why coupons listing the current owner's name were not provided. Given that the assignment occurred more than a decade before Mr. Wolffe's affidavit, I am not prepared to accept that the Exhibit "D" coupons represent coupons that were being used during the relevant time period. It should have been a simple matter for Mr. Wolffe to provide a sample of the coupon referring to the current owner.

Exhibit "E" is stated to be "samples of letterhead bearing the trade-mark GOING OVER THE FALLS IN A BARREL used by my Company in the normal course of trade." However, this evidence does not assist the registered owner for a number of reasons: 1) it displays OVER THE FALLS IN A BARREL, not GOING OVER THE FALLS IN A BARREL; 2) the address on the letterhead is not that which appears in the registration and the registered owner's name does not appear on the letterhead; 3) the letterhead is blank and therefore it neither bears a date within the relevant time period nor makes any reference to any of the registered wares or services.

Exhibit "F" is "a picture from one of my Company's locations located in Canada which operated in the relevant period and provided the services set out in the registration." The photograph shows the exterior of a place of business, which displays a number of signs. The topmost sign begins with the words PICTURE YOURSELF in yellow lettering on a black background. Below those words in two lines appear the words GOING OVER THE FALLS IN A BARREL, in white lettering on a red background. The photograph bears the handwritten notation June 10, 1996 to 2003. Relying on Principle 1 as set out at page 538 of *Nightingale Interloc Ltd. v. Prodesign Ltd. (supra)*, I accept this as evidence of use of the Mark, but only in association with photographic services. There is no evidence supporting Mr. Wolffe's claim that the registered owner has performed any of the other registered services.

Concerning the applicant's services, I note that in *Sim & McBurney v. Gesco Industries, Inc. and The Registrar of Trade-marks* (2000), 9 C.P.R. (4th) 480 (F.C.A.), the Court held that it does not matter whether services are independently offered to the public or are ancillary or incidental to the sale of wares; a trade-mark is deemed to be used in association with services if it is displayed in the advertising of those services.

Although the entire burden under s. 45 is with the registered owner to satisfy the Registrar that the trade-mark is in use, in view of the purpose and scope of s. 45, the test that has to be met by the registered owner is not a heavy one. [88766 Inc .v. George Weston Ltd. (1987), 15 C.P.R. (3d) 260; *Austin Nichols & Co. v. Cinnabon, Inc.* (1998), 82 C.P.R. (3d) 513 (F.C.A.) at 525]

Based on the foregoing, I am satisfied that the registered owner has met its onus only with respect to photographic mounts and photography services. Its evidence does not show use of the Mark in association with the remaining wares and services during the relevant time period, nor does it provide any reasons that would justify the absence of use.

For the foregoing reasons, the statement of wares and services in registration No. TMA419,870 will be amended to read only "photographic mounts" and "photographic services", in accordance with the provisions of s. 45(5) of the Act.

DATED AT TORONTO, ONTARIO THIS 1st DAY OF NOVEMBER 2007.

Jill W. Bradbury Member Trade-marks Opposition Board