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SECTION 45 PROCEEDINGS
TRADE-MARK: NOVAGRO
REGISTRATION NO: TMA 485,592

[1] At the request of General Hydroponics Inc., (the requesting party) the Registrar forwarded a notice under section 45 of the *Trade-marks Act* on January 31, 2007, to La Coop fédérée the registered owner of the above referenced trade-mark.

[2] The trade-mark NOVAGRO is registered in association with:

WARES: Produits fertilisants pour développer diverses récoltes, nommément les engrais et la chaux et produits de protection des cultures, nommément les pesticides, les herbicides, les fongicides et les insecticides. [Translation as advertised July 13, 1979, volume 44, issue 2230 – “fertilizing products for developing various crops, namely fertilizers and lime and crop protection products, namely pesticides, herbicides and fungicides and insecticides”].

SERVICES: Services consultatifs et services conseils dans le domaine de la protection et du développement de l'agriculture. [Translation as advertised July 13, 1979, volume 44, issue 2230 – “consultant services and advisory services relating to crop protection and agriculture development”]

[3] Section 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13, 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 and/or services listed on the registration at any time within the three year period immediately preceding the date of the notice, and if not, the date when it was last in use and the reason for the absence of use since that date. Section 45 requires the proof of use be established by way of an affidavit or statutory declaration. In this case the relevant period for showing use is any time between January 31, 2004 and January 31, 2007.

[4] Use in association with wares is set out in subsection 4(1) of the *Trade-marks Act*:

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A trade-mark is deemed to have been 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.

[5] Use in association with services is set out in subsection 4(2) of the *Trade-marks Act*:

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.

[6] In response to the Registrar's notice, the registrant furnished the affidavit of André Mercure, Director General of plant/crop products division (Directeur général des productions végétales) of La Coop fédérée, which division is responsible for the NOVAGRO products and services program. Prior to September 1, 2006, Mr Mercure was the Senior Manager of three companies - SQS, Agrocentre and Fertibec, all of which are partially or wholly owned by the registered owner.

[7] Both the registrant and the requesting party filed written submissions; the registrant attended an oral hearing.

[8] Mr. Mercure states that the registrant and its licensees have used the subject trade-mark since at least 1989 in association with wares: fertilizing products for developing diverse crops, namely fertilizer and lime [Produits fertilisants pour développer diverses récoltes, nommément les engrais et la chaux]. In addition, the affiant states that the subject trade-mark has also been used in association with the services: Consultation and advisory services relating to crop protection and agriculture development [Services consultatifs et services conseils dans le domaine de la protection et du développement de l'agriculture]. The wares and services are provided to growers with land in Quebec.

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[9] Mr. Mercure attaches copies of license agreements between the registrant and licensee companies in which the registrant maintains at least 50% ownership. Six of these licensee agreements were in effect during the relevant period (two of the licensees merged into one in 2001).

[10] The licence agreements clearly state that the registrant/licensor maintains control over the character and quality of the wares and services provided by the licensees and accordingly I have no trouble concluding, pursuant to subsection 50(1) of the *Trade-marks Act* that any use of the subject trade-mark by the licensees will enure to the benefit of the registrant – La Coop fédérée.

[11] Mr. Mercure describes a NOVAGRO program for assisting growers to grow their crops more efficiently. Mr. Mercure states that the NOVAGRO services involve soil samples, analysis, and a complete report including charts and maps of soil conditions provided to individual growers. It appears that the licensees promote these services to the agriculture sector, the registrant provides the services and the licensees pass reports in the form of custom crop programs on to the growers; the licensees conduct the spreading of fertilizers and lime as required according to the reports.

[12] One service relates to soil analysis and provision of feedback as to the need for fertilizer and lime applications. The affiant notes that the word “precision” is often used with the subject trade-mark in association with said services to indicate that these services provide precise results with regard to the fertility of the soil tested.

[13] Additional services are provided relating to the systematic taking of soil samples, the use of a GPS location system for providing growers with a complete map of zones of soil quality for their fields. More particularly, it appears that the word “zone” is used with NOVAGRO in association with services relating to measuring and charting levels of electric conductivity in the soils, prior to creating a map of soil quality. The word “grille”

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is also used with NOVAGRO in association with this service and relates to the provision of a more detailed chart of the soil conditions of the fields in question.

[14] Attached to the affidavit are documents prepared by the registrant for use by the licensees when advertising the NOVAGRO services. In addition to information describing the services, and price lists dated August 2005, there is also a pamphlet attached. According to Mr. Mercure thousands of these pamphlets were printed around 2002 or 2003 and distributed during the relevant period and continue to be distributed by sales representatives of the licensees to the growers in Quebec.

[15] I note that the trade-mark appearing on the pamphlet has some additional features as depicted below:



[16] I note that the information and price lists are marked with the trade-mark as depicted below:



[17] The trade-mark NOVAGRO (as registered - without additional features) appears throughout the body of the printed information regarding the services.

[18] Additionally, a mini-disc CD is provided that promotes the “precision” NOVAGRO program. Mr. Mercure states that they have been used continuously since 2002, and continue to be used to day. The CDs are distributed to the growers by sales representatives of the licensees to promote and sell the registrant’s services.

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[19] Mr. Mercure also describes software used by the registrant, Le Coop fédérée, to create the custom crop fertilization programs. A detailed description of the function of the software is provided, and a sample binder is attached that contains a set of documents/charts and maps produced by the software for the custom crop program. Binders similar to these are stated to have been distributed to the licensees for use in promoting the services to growers. Growers that purchase NOVAGRO services receive a similar binder containing information regarding their custom crop program. I note that the binder is marked with the PRECISION NOVAGRO and satellite design as depicted above.

[20] Exhibit 6 includes a sample of invoices from the registrant to the licensee agrocentres for services. Three of these invoices are dated outside of the relevant period. The invoice is preformatted with all the services available as line items; only those performed have cost amounts entered on the respective line. One of the line items relates to a service described as “mise a jour Novagro” which appears to have been billed on at least one of the invoices. I note also that other services identified as “novagro grille” and “novagro zone” were also performed.

[21] The top right-hand corner of these invoices bears the trade-mark with design features that appears on the binders, (as depicted above) in a rectangular box which also contains the invoice number and date. The invoice also provides near the top right hand corner, the date when the soil sampling was undertaken. I note that of the three invoices dated outside of the relevant period, one relates to soil sampling that took place during the relevant period. It appears that the service “mise a jour novagro” was billed on that invoice. Further, I note that the name of the grower’s farm and the field number are both indicated on the invoices from the registrant to the licensees.

[22] While the evidence is not ideal in terms of details regarding how the services were promoted and advertised to the growers in Quebec, I am willing to accept, from the description of the way business was being conducted during the relevant period, that the

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end consumer would have had a copy of promotional material when arranging for the services of the NOVAGRO program, and the aforementioned binder as part of the services that were subsequently performed.

[23] What remains to be determined is if the use of the trade-mark in the pamphlets, binders and invoices, was use of the trade-mark as registered in relation to services.

[24] As set out in *Canada (Registrar of Trade-marks) v. Cie International pour l'informatique CII Honeywell Bull* (1985), 4 C.P.R. (3d) 523 at 525 (F.C.A.), where the mark as used deviates from the mark as registered, the question to be asked is whether the mark was used in such a way that it did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used. In deciding this issue, one must look to see if the “dominant features” have been preserved; cautious variations can be made, if the differences are so unimportant as not to mislead an unaware purchaser. (*Promafil Canada Ltée v. Munsingwear Inc.*, 44 C.P.R. (3d) at 59 (FCA)). The decision as to which elements are the dominant features and whether the deviation is minor so as to permit a finding of use is a question of fact to be determined on a case-by-case basis.

[25] As a preliminary matter, I find that the features apart from the NOVAGRO portion of the marks are not so dominant as to render NOVAGRO unrecognizable as the trade-mark *per se*. In each case the additional matter has a descriptive connotation, with respect to the type of services available, “novagro zone” or “novagro precision” as does the representation of the satellite, since as the affiant sets out, the services involve a GPS location system. The design element of the dominant NOVAGRO portion itself is clearly a stylized A, and as such does not prevent the trade-mark from being read as NOVAGRO. Therefore, in my view, the word element NOVAGRO remains dominant, and the overall impression created by the registered trade-mark is not lost. I therefore conclude that the public as a matter of first impression would perceive the marks used as being the trade-mark *per se* (*Nightingale Interloc Ltd.v. Prodesign Ltd.* 2 C.P.R. (3d) 535).

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[26] Generally, growers that purchase the NOVAGRO program services also purchase the associated fertilizer products. With respect to the sale of the subject wares, invoices and delivery slips attached as Exhibit 6 indicate sales of fertilizer NOVAGRO D91 and NOVAGRO G82, during the relevant period by licensees to the end consumer.

[27] Mr. Mercure sets out in paragraph 17 that D91 appearing after the trade-mark NOVAGRO is related to the mineral composition of the fertilizer. He states further that G82 is a reference to content of 82% gypsum, which the affiant states, is a lime product. As the requesting party made no comments on this point, I am prepared to accept the affiant's statement that NOVAGRO G82 is a lime product.

[28] With respect to the requesting party's argument that use of the NOVAGRO in conjunction with D91 or G82 is not use of the trade-mark as registered, I disagree. It is more than reasonable to accept that the consumer of fertilizers would know that these numerals and numbers have a descriptive function, and in any event I find that NOVAGRO remains the dominant element of the mark when used with the descriptive designations. Accordingly I have no trouble in finding that use of the NOVAGRO D91 and G82 would be perceived by the consumers as use of the registered trade-mark per se (see *Nightingale Interloc Ltd.v. Prodesign Ltd.* 2 C.P.R. (3d) 535; *Canada (Registrar of Trade-marks) v. Cie International pour l'informatique CII Honeywell Bull* (1985), 4 C.P.R. (3d) 523 at 525 (F.C.A.)).

[29] The requesting party argued that where the number of wares in the registration are many, it is not an onerous task to produce detailed evidence of use, and suggested that one invoice per ware was insufficient in this instance (*Uvex Toko Canada Ltd. v. Performance Apparel Corp.* (2004) 31 C.P.R. (4th) 270). However, I note that as a supplement to the invoices, Mr. Mercure states that during the relevant period over 15,000 metric tons of NOVAGRO fertilizers were sold by the licensee to more than 200 growers in Quebec annually.

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[30] Although it is well accepted that use must be “shown” with respect to each of the wares and services in the registration, and that bald assertions of use are not sufficient to support maintenance of a registration (Plough Canada Ltd. v. Aerosol Fillers Inc., 45 C.P.R. (2d) at 194 (FCTD) and 53 C.P.R. (2d) at 62, F.C.A. [1980]), I am also mindful of the principle that evidentiary overkill should not be required in response to a section 45 notice (Union Electric Supply Co. Ltd. v. RTM, 63 C.P.R. (2d) at 56, F.C.T.D. [1992]).

[31] Accordingly, keeping in mind that the affidavit must be read as a whole, I find the evidence establishes sales of the wares “fertilizing products for developing diverse crops, namely fertilizer and lime” in association with the subject trade-mark in Canada during the relevant period within the meaning of subsection 4(1) and 45 of the Act. I further find that the evidence establishes use of the subject trade-mark on the services “consultant services and advisory services relating to crop protection and agriculture development” within the meaning of subsection 4(2) and 45 of the Act.

Pursuant to the authority delegated to me under s-s.63 (3) of the Act, TMA 485,592 for NOVAGRO will be maintained on the Register in compliance with the provisions of subsection 45(5) of the *Trade-marks Act*, R.S.C. 1985, c. T-13.

DATED AT GATINEAU, QUEBEC, THIS 19TH DAY OF DECEMBER 2009.

P. Heidi Sprung

Member, Trade-marks Opposition Board