SECTION 45 PROCEEDINGS TRADE-MARK: GADDY SPORT <u>REGISTRATION NO.: 311,306</u>

On December 12, 1995, at the request of Flick "aktuell" GmbH & Co. KG, the Registrar forwarded a Section 45 notice to Morry L. Marcovitch Enterprises Ltd., the registered owner of the above-referenced trade-mark registration.

The trade-mark GADDY SPORT is registered in association with the following wares:

(1) Clothing, namely; sweaters. (2) Clothing namely: dresses, blouses, tops, shirts, pants, shorts, vests, skirts, jackets, gowns, shawls, slacks, suits, pantsuits, coats, T-shirts, tunics, blazers, parkas, socks, scarves, stockings, shoes, boots, slippers, luggage, fashion accessories, namely: hats, scarves, handkerchiefs, gloves, belts, shawls, bracelets, necklace and earrings.

In response to the Registrar's notice, the affidavit of Tronny Sweibel (together with exhibits) was furnished. Each party filed a written submission. An oral hearing has not been requested in this case.

Having regard to the evidence and submissions of the parties, I conclude that use of the trademark in Canada has been shown in association with the wares: sweaters, jackets, T-shirts and shorts.

In his affidavit, Mr. Sweibel clearly alleges use in Canada by Rino Rossi Inc. in association with "sweaters, jackets, T-shirts and shorts". He has attached as Exhibit C a <u>representative</u> selection of invoices which he states evidences sales by his company of such clothing items in association with the trade-mark. At paragraph 3, he confirms that the style numbers listed in each invoice corresponds to the above described wares which bear the trade-mark. As Exhibit D, he has attached a representative hang tag and label bearing the trade-mark as used on sweaters, jackets, T-shirts and shorts. As Exhibit E, he has attached a representative plastic packaging for the clothing which also bears the trade-mark. He has provided sales figures for the years 1995 and 1996.

In my view, considering the evidence as a whole, I am prepared to conclude that the wares "sweaters, jackets, T-shirts and shorts" were sold during the relevant period and as stated by Mr. Sweibel, such wares were associated with the trade-mark by way of a hang tag and/or label bearing the trade-mark.

However, as noted by the requesting party, the use shown is by Rino Rossi Inc. Mr. Sweibel at paragraph 2 of his affidavit, alleges that Rino Rossi Inc. acquired ownership of all the rights, title and interests in and to this trade-mark from Morry L. Marcovitch Enterprises Ltd. by way of an assignment effective May 20, 1994 and in support thereof he attaches as Exhibit B an original copy of the assignment document evidencing the transfer effected on that date.

The requesting party questions the validity of the assignment and therefore submits that the evidence has not been furnished by the registered owner. According to the requesting party, the evidence of the alleged transfer of the trade-mark does not meet the test set out by the Federal Court of Appeal in *Marcus, carrying on business as Marcus & Associates* v. *Quaker Oats of Canada*, 20 C.P.R.(3d) 46. It adds that the registrant has not provided clear and cogent evidence that the evidence of ownership was created prior to the date of the Section 45 notice as required in *Marcus*, supra.

I have reviewed the document attached as Exhibit B to the Sweibel affidavit, and I am satisfied that it confirms that Morry L. Marcovitch Enterprises Ltd. did assign on May 20, 1994 all rights in and to the trade-mark to Rino Rossi Inc. Although the document was executed in 1996, it confirms an assignment that occurred prior to the notice date. Consequently, this case can be distinguished from *Marcus, supra,* in that the document does not merely retroactively assign the trade-mark but serves to confirm an assignment that occurred prior to the notice date. As for the fact that the document appears to have been executed by Mr. Sweibel, such is not improper as Mr. Sweibel has stated that he held the position of Secretary-Treasurer with Morry L. Marcovitch Enterprises Ltd., and therefore, it is to be assumed that he had authority to sign such a document on behalf of Morry L. Marcovitch Enterprises Ltd. On the face of the record, and as there is no clear indication to the contrary, I accept the document as being a valid confirmation of the

assignment that occurred on May 20, 1994 (see *Quarry Corp.* v. *Bacardi & Co.*, 72 C.P.R.(3d) 25).

Although this assignment has not yet been officially recorded, as stated in *Meredith & Finlayson* v. *Registrar of Trade Marks*, 43 C.P.R.(3d) 473, the fact that a transfer is not registered has been held not to invalidate the mark. I also find support for that proposition in the case *Quarry Corp.* v. *Bacardi & Co.*, supra. Consequently, as Rino Rossi Inc. was entitled to be recorded as registered owner during the relevant period and as the documents confirming the assignment that occurred on March 20, 1994 have been filed with the Assignment Section of the Trade-marks Office, I conclude that the use shown satisfies the requirements of the Trade-marks Act. I have arrived at this conclusion bearing in mind the purpose of Section 45 of the Trade-marks Act.

In view of the evidence furnished, as I have concluded that use has only been shown in association with "sweaters, shorts, jackets and T-shirts", it follows that the trade-mark registration ought to be amended to cover only those wares.

Registration No. 311,306 will be amended accordingly, in compliance with the provisions of Section 45(5) of the Trade-marks Act.

DATED AT HULL, QUEBEC, THIS 31st DAY OF October, 1997.

D. Savard Senior Hearing Officer Section 45 Division