



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADE-MARKS

Citation: 2011 TMOB 107
Date of Decision: 2011-06-05

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Upper Canada Soap & Candle Makers
Corporation against registration No. TMA347,741 for the
trade-mark SEA SPA in the name of Belvedere
International Inc.**

[1] At the request of Upper Canada Soap & Candle Makers Corporation (the Requesting Party), the Registrar of Trade-marks issued a notice under s. 45 of the *Trade-marks Act* R.S.C. 1985, c. T-13 (the Act) on June 18, 2008 to Belvedere International Inc. (the Registrant), the registered owner of registration No. TMA347,741 for the trade-mark SEA SPA (the Mark).

[2] The Mark is registered for use in association with the following wares: Women's fragrance line, namely: dusting powder, bath oil, bubble bath, soap, toilet water, cologne, moisturizing lotion and body lotions (the Wares).

[3] Section 45 of the Act 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 services specified in 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 such use since that date. In this case, the relevant period for showing use is between June 18, 2005 and June 18, 2008 (the Relevant Period).

[4] The relevant definition of “Use” with respect to wares is set out in s. 4(1) of the Act:

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.

[5] It is well established that mere assertions of use are not sufficient to demonstrate use in the context of a s. 45 proceeding [*Plough (Canada) Ltd. v. Aerosol Fillers Inc.* (1979), 45 C.P.R. (2d) 194, aff'd (1980), 53 C.P.R. (2d) 63 (F.C.A.)]. Although the threshold for establishing use in these proceedings is quite low [*Lang, Michener, Lawrence & Shaw v. Woods Canada Ltd.* (1996), 71 C.P.R. (3d) 477 (F.C.T.D.)], and evidentiary overkill is not required [*Union Electric Supply Co. v. Canada (Registrar of Trade Marks)* (1982), 63 C.P.R. (2d) 56 (F.C.T.D.)], sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trade-mark in association with each of the wares or services specified in the registration during the relevant period.

[6] In response to the Registrar's notice, the Registrant filed the affidavit of Larry Romagnuolo, Chief Executive Officer of the Registrant, sworn on January 12, 2009, together with a copy of a sales/marketing presentation as Exhibit A. Only the Requesting Party filed written arguments; an oral hearing was not held.

[7] In his affidavit, Mr. Romagnuolo presents no evidence of sales of the Wares in Canada during the Relevant Period or at any other time. Rather, Mr. Romagnuolo attests that the Registrant's product line has been undergoing a re-branding process that commenced in 2005. Mr. Romagnuolo attaches as Exhibit A to his affidavit a copy of a 2008 sales presentation to one of the Registrant's potential Canadian retailers to showcase the SEA SPA product line. Mr. Romagnuolo further attests that three Canadian retailers and one U.S. retailer "have been contacted" by the Registrant with respect to the purchase of SEA SPA personal care products for resale. Finally, Mr. Romagnuolo attests that the Registrant has supplied samples of SEA SPA personal care products to the same retailers "since March 2008".

[8] I agree with the Requesting Party's submissions that the distribution of samples with no pattern of actual sales, as in these circumstances, does not constitute use [see *Professional Gardener Co. Ltd. v. Registrar of Trade Marks et al.* (1985) 5 C.P.R. (3d) 568 (F.C.T.D.); *Smart*

& Biggar v. JemPak Canada Inc. (2001) 20 C.P.R. (4th) 176 (T.M.O.B.); *Premier School Agendas Ltd. v. Styles* (2007), 62 C.P.R. (4th) 66 (T.M.O.B.)], nor do promotional efforts such as the above-mentioned marketing presentation [see *Gowling & Henderson v. John Morton Ltd.* (1992) 47 C.P.R. (3d) 268 (T.M.O.B.)]. I note that while distribution of samples has been considered use within the meaning of the Act in some cases, this is generally in the context of distributing samples in anticipation of securing orders and sales, and where subsequent sales have been demonstrated, which is not the case here [see *Lin Trading Co. v. CBM Kabushiki Kaisha* (1988), 21 C.P.R. (3d) 417 (F.C.A.); *Canadian Olympic Assn. v. Pioneer Kabushiki Kaisha* (1992), 42 C.P.R. (3d) 470 (T.M.O.B.)].

[9] As such, I conclude that the evidence does not demonstrate use of the Mark in association with the Wares in Canada pursuant to s. 4 and s. 45 of the Act.

Special Circumstances Justifying Non-Use

[10] As there is no evidence of use of the Mark in association with the Wares during the Relevant Period, I will now consider whether Mr. Romagnuolo's affidavit presents any special circumstances justifying non-use. Generally, a determination of whether there are special circumstances that excuse non-use involves consideration of three criteria, as set out in *Canada (Registrar of Trade Marks) v. Harris Knitting Mills Ltd.* (1985), 4 C.P.R. (3d) 488 (F.C.A.); the first is the length of time during which the mark has not been in use, the second is whether the reasons for non-use were due to circumstances beyond the control of the registered owner and the third is whether there exists a serious intention to shortly resume use. In deciding whether the reasons for non-use are due to circumstances beyond the owner's control, there must be a finding of "circumstances that are unusual, uncommon or exceptional" [*John Labatt Ltd. v. Cotton Club Bottling Co.* (1976), 25 C.P.R. (2d) 115 (F.C.T.D.)]. The decision in *Smart & Biggar v. Scott Paper Ltd.* (2008), 65 C.P.R. (4th) 303 (F.C.A.) offered further clarification with respect to the necessity of the second criterion, with the determination that this aspect of the test *must* be satisfied in order for there to be a finding of special circumstances excusing non-use of a mark. In other words, the other two factors are relevant, but considered by themselves, in isolation, cannot constitute special circumstances. Further, the intent to resume use must be substantiated

by the evidence [*Arrowhead Spring Water Ltd. v. Arrowhead Water Corp.* (1993), 47 C.P.R. (3d) 217 (F.C.T.D.); *NTD Apparel Inc. v. Ryan* (2003), 27 C.P.R. (4th) 73 (F.C.T.D.)].

[11] Applying the above, I note that there is no evidence with regards to when the Mark was last used in Canada. Further, although there is evidence of some promotional activity, there is no evidence of concrete next steps that would assist in determining whether the Registrant has a serious intention to shortly resume use. In any event, even if the activities set out in the affidavit provide sufficient evidence of intention to resume use (and I'm not convinced that they do), there is no evidence pertaining to the critical criterion of whether the reasons for non-use of the Mark were due to circumstances beyond the Registrant's control. In this regard, Mr. Romagnuolo states only that the product line has been undergoing a "re-branding" process since 2005 "with substantial development expenditures"; no further details are provided. Accordingly, there is insufficient evidence before me that would allow me to conclude that the decision to refrain from use of the Mark in Canada was other than the "voluntary act" of the Registrant [see *John Labatt Ltd, supra.*]. As such, I conclude that the Registrant has not demonstrated special circumstances to justify non-use of the Mark.

[12] Consequently, I am not satisfied that there was use of the Mark with respect to the Wares within the meaning of s. 45 and s. 4 of the Act during the Relevant Period, there being no special circumstances to justify such non-use.

[13] Accordingly, pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be expunged in compliance with the provisions of s. 45 of the Act.

P. Heidi Sprung
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office