



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

Citation: 2016 TMOB 48
Date of Decision: 2016-03-30

IN THE MATTER OF A SECTION 45 PROCEEDING

MMS Enterprise Holdings Inc.

Requesting Party

and

Swing Paints Ltd.

Registered Owner

TMDA53431 for EMPIRE

Registration

[1] At the request of MMS Enterprise Holdings Inc. (the Requesting Party), the Registrar of Trade-marks issued a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) on March 7, 2014 to Paint World Inc., the registered owner at that time of registration No. TMDA53431, for the trade-mark EMPIRE (the Mark).

[2] The Mark is registered in association with the following goods: (1) Wallpaper; (2) Paint.

[3] The Mark is also registered in association with the services, “Operation of retail wallpaper and paint stores”.

[4] 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 goods 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 the trade-mark 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 March 7, 2011 and March 7, 2014.

[5] The relevant definitions of “use” are set out in sections 4(1) and 4(2) of the Act as follows:

4(1) A trade-mark is deemed to be used in association with goods if, at the time of the transfer of the property in or possession of the goods, in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed or it is in any other manner so associated with the goods that notice of the association is then given to the person whom the property or possession is transferred.

4(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.

[6] It is well established that mere assertions of use are not sufficient to demonstrate use in the context of section 45 proceedings [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. Although the threshold for establishing use in section 45 proceedings is quite low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co Ltd v Registrar of Trade Marks* (1982), 63 CPR (2d) 56 (FCTD)], 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 goods and services specified in the registration during the relevant period.

[7] With respect to services, the display of the trade-mark in advertising is sufficient to meet the requirements of section 4(2) when the trade-mark owner is offering and prepared to perform those services in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)]. Furthermore, the evidence as a whole must be considered and focusing on individual pieces of evidence is not the correct approach [*Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB)].

[8] Subsequent to the issuance of the notice, the Registrar recorded a change in title of the registration to Swing Paints Ltd. (the Owner). This change in title is not at issue in this proceeding.

[9] In response to the Registrar’s notice, the Owner furnished the affidavit of Mark Chaimberg, Vice-President of the Owner, sworn on October 6, 2014, in Montreal, Quebec. Only the Requesting Party filed written representations; an oral hearing was not requested.

The Owner's Evidence

[10] In his affidavit, Mr. Chaimberg attests that the Mark was used during the relevant period in association with the operation of a retail wallpaper and paint store in Montreal. He attests that this store has displayed the Mark on the storefront since 1979.

[11] Mr. Chaimberg explains that, since 2002, the Owner has granted a license to 3295974 Canada Inc. to use the Mark in association with the registered goods and services. He confirms that, pursuant to the licensing agreement, the Owner has direct control of the character and quality of the registered goods and services, in addition to control over the use, advertisement and display of the Mark in Canada.

[12] Mr. Chaimberg further attests that the EMPIRE store has a website, *empirewallpaper.com*. He confirms that, during the relevant period, this website displayed the Mark and advertised the registered services.

[13] With respect to the registered goods, at paragraph 14 of his affidavit, Mr. Chaimberg provides a chart which he attests shows “quantities of paint marked with EMPIRE sold in the normal course of trade to end consumers during the relevant period”. The chart indicates that, generally, five to 15 gallons of EMPIRE paint were sold each month during the relevant period.

[14] In support of the foregoing, Mr. Chaimberg attaches the following exhibits to his affidavit:

- Exhibit E is a photograph of the EMPIRE storefront. The Mark is clearly displayed on the store's signage, and Mr. Chaimberg attests that the Mark was displayed in this manner during the relevant period.
- Exhibit F is a printout from the website *yellowpages.ca* that Mr. Chaimberg attests advertised the EMPIRE store during the relevant period. The listing displays the Mark along with the store's contact information.
- Exhibit G is a printout of the home page of the EMPIRE store's website. The Mark is prominently displayed at the top of the page, above a photograph of the store interior

showing a variety of wallpaper products. The “Welcome” description on the page references the wallpaper and paint products available in the store.

- Exhibit H is a webpage printout from an internet archive website, *archive.org*; Mr. Chaimberg attests that this printout shows that the EMPIRE store website’s URL was operational during the relevant period. The printout indicates that *empirewallpaper.com* was “saved 19 times between April 12, 2009 and June 4, 2014”.
- Exhibit I is a printout of the “About” section of the EMPIRE store website, listing Pierre Ghannoum as the owner. Mr. Chaimberg explains that Mr. Ghannoum is the President of 3295974 Canada Inc., the licensee of the Mark.
- Exhibit J consists of printouts from two third-party websites and a newspaper article, which Mr. Chaimberg attests is demonstrative of media attention the EMPIRE store received for its wallpaper and paint products during the relevant period.
- Exhibit K consists of two photographs of four-litre paint cans that Mr. Chaimberg attests are representative of the paint products sold to consumers during the relevant period. The Mark appears prominently on the paint can labels.

Analysis - Licensing

[15] In its written representations, the Requesting Party submits that the Owner has provided “incomplete” evidence of a valid licensing agreement. In particular, the Requesting Party states that in cases of licensed use, an owner must include evidence that the Mark was “supervised and controlled” by the owner in accordance with section 50 of the Act [citing as support *Petro-Canada v Air Miles International Holdings NV* (1998), 83 CPR (3d) 111 (TMOB)].

[16] As stated by the Federal Court, there are three main methods by which a trade-mark owner can demonstrate the requisite control pursuant to section 50(1) of the *Act*: first, by clearly attesting to the fact that it exerts the requisite control; second, by providing evidence demonstrating that it exerts the requisite control; or third, by providing a copy of the license agreement that provides the requisite control [see *Empresa Cubana Del Tabaco Trading v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248 at paragraph 84].

[17] In this case, Mr. Chaimberg satisfies the first method by clearly attesting to the fact that the Owner had control over the goods and services offered by the licensee in association with the Mark during the relevant period. Consequently, I am satisfied that any demonstrated use of the Mark by the Owner's licensee constitutes use of the Mark enuring to the benefit of the Owner.

Evidence of Use – Goods

[18] With respect to goods (2), “paint”, the Requesting Party submits that the Owner has failed to provide sufficient evidence of use of the Mark. Focusing on paragraphs 13 and 14 of Mr. Chaimberg's affidavit, the Requesting Party argues that Mr. Chaimberg fails to state *who* made the sales of paint, and that this ambiguity should be “carefully reviewed” by the Registrar.

[19] In this case, although Mr. Chaimberg does not attach invoices to his affidavit, he clearly attests to the quantities of EMPIRE paint sold at the EMPIRE store during the relevant period. As noted above, Exhibit K shows that such paint cans displayed the Mark. When the evidence is viewed as a whole, this is sufficient to show that the Owner's licensee sold EMPIRE-branded paint during the relevant period.

[20] Accordingly, I am satisfied that the Owner has demonstrated use of the Mark in association with “paint” within the meaning of sections 4(1) and 45 of the Act.

[21] On the other hand, I agree with the Requesting Party that the Owner has not shown use of the Mark during the relevant period in relation to goods (1), being “wallpaper”. Indeed, in contrast to the evidence furnished in his affidavit with respect to paint, I note that Mr. Chaimberg does not provide any direct evidence of use of the Mark in association with wallpaper. Noting that any wallpaper sold in the store would not display the Mark in the same manner as the exhibited paint cans, I further note that Mr. Chaimberg provides no evidence of display of the Mark in association with wallpaper whatsoever. I am not prepared to infer that any wallpaper sold would have been associated with the Mark (rather than, for example, third-party trademarks), merely because it was sold in the EMPIRE store.

[22] In the absence of further particulars or representations from the Owner, I cannot conclude that any wallpaper sold in the store during the relevant period would have been associated with

the Mark in accordance with section 4(1) of the Act. As such, I am not satisfied that the Owner has demonstrated use of the Mark in association with “wallpaper” within the meaning of sections 4 and 45 of the Act. Furthermore, the Owner furnished no evidence of special circumstances excusing non-use of the Mark in association with such goods.

[23] Accordingly, the registration will be amended to delete goods (1), “wallpaper”.

Evidence of Use - Services

[24] With respect to the registered services, the Requesting Party submits that the Owner’s evidence does not show use of the Mark, stating that “mere advertising cannot constitute use in association with goods, nor can it constitute use in association with services if they are not actually provided”. Additionally, the Requesting Party states that, by failing to show actual use of the Mark in association with wallpaper, the Owner has failed to show use of the Mark in relation to the services as registered, being the operation of a retail store selling both paint *and* wallpaper.

[25] In this case, Mr. Chaimberg does attest to the sale of both wallpaper and paint in the EMPIRE store. As shown in the Exhibit E photograph, the store’s exterior signage prominently displays the Mark. In addition, the exhibited webpages show photographs of the interior of the store, where wallpaper is displayed for sale.

[26] As such, the evidence shows that, during the relevant period, the Owner’s licensee operated a retail store that offered paint and wallpaper to consumers. Although the evidence contains no particulars regarding the volume or value of wallpaper sales during the relevant period, this is not required. Mr. Chaimberg’s statements as to the nature of the EMPIRE store are corroborated by the supporting exhibits and photographs showing that both paint and wallpaper were offered to consumers through the retail store during the relevant period.

[27] As such, I am satisfied that the Owner has demonstrated use of the Mark in association with the services as registered within the meaning of sections 4(2) and 45 of the Act.

Disposition

[28] In view of all of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with the provisions of section 45 of the Act, the registration will be maintained with respect to the registered services and amended to delete “wallpaper” from the statement of goods.

[29] The amended statement of goods will be as follows: “Paint.”

Andrew Bene
Hearing Officer
Trade-marks Opposition Board
Canadian Intellectual Property Office

**TRADE-MARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE: No Hearing Held

AGENT(S) OF RECORD

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For the Registered Owner

MacBeth & Johnson

For the Requesting Party