



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

Citation: 2011 TMOB 163
Date of Decision: 2011-09-06

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Landau Sacamoto Handbags Inc. / Les sacs
à main Landau Sacamoto Inc. against registration
No. TMA413,734 for the trade-mark DUE FRATELLI in
the name of Archalous Jakmakjian Keverian**

[1] On July 29, 2009, at the request of Landau Sacamoto Handbags Inc. / Les sacs à main Landau Sacamoto Inc. (the Requesting Party), the Registrar forwarded a notice under s. 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the Act) to Archalous Jakmakjian Keverian, the registered owner (the Registrant) of registration No. TMA413,734 for the trade-mark DUE FRATELLI (the Mark).

[2] The Mark is registered in association with the following wares:

Articles made from leather and imitations of leather, namely luggage, trunks, travelling bags, handbags, briefcases, suitcases, pocketbooks, purses, agenda books, tie cases, cardcases, wallets, picture frames, small bags suitable for holding toiletries and related items, clothing for men, women and children, namely ties and belts. (the Wares)

[3] Section 45 of the Act requires the registered owner of the trade-mark to show, with respect to each of the wares or services specified in the registration, whether the trade-mark was in use in Canada at any time during 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. In this case, the relevant period for showing use is any time between July 29, 2006 and July 29, 2009 (the Relevant Period).

[4] “Use” in association with wares is set out in subsections 4(1) and 4(3) 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.

[...]

(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 this case, s. 4(1) of the Act applies.

[5] In response to the Registrar’s notice, the Registrant filed her own affidavit, together with Exhibits AJ-1 to AJ-9, sworn October 21, 2009. Both parties filed written representations. I note at the outset that I am disregarding the exhibit attached as Annex A to the Requesting Party’s representations. I will revert to this point below, when addressing some of the Requesting Party’s representations. An oral hearing was not requested.

[6] It is well established that the purpose and scope of s. 45 of the Act is to provide a simple, summary and expeditious procedure for removing deadwood from the register and as such, the threshold test is quite low. As stated by Mr. Justice Russell in *Uvex Toko Canada Ltd. v. Performance Apparel Corp.* (2004), 31 C.P.R. (4th) 270:

68. [...] We know that the purpose of s. 45 proceedings is to clean up the "dead wood" on the register. We know that the mere assertion by the owner that the trade mark is in use is not sufficient and that the owner must "show" how, when and where it is being used. We need sufficient evidence to be able to form an opinion under s. 45 and apply that provision. At the same time, we need to maintain a sense of proportion and avoid evidentiary overkill. We also know that the type of evidence required will vary somewhat from case to case, depending upon a range of factors such as the trade mark owners business and merchandising practices.

[7] I will now turn to the evidence introduced by the Registrant.

[8] The Registrant identifies herself as the President and sole shareholder of the numbered company 9075-7691 Quebec Inc. (the Company). The Registrant states that she has granted an exclusive license to the Company as of April 1, 1999 to use the Mark in Canada and that in her role as President and sole shareholder of that company, she has full authority and control over the use of the Mark in association with the Wares.

[9] More particularly, the Registrant states that as President and sole shareholder of the Company, she has complete control and responsibility for its operations including over the character and quality of the Wares. Her duties include setting and enforcing the high standards of quality in association with the Wares. She is directly involved in designing the goods at issue, supervising the manufacturing of the Wares, the materials employed, inspection of the factories on a regular basis to ensure quality control, and inspecting and approving the final product.

[10] The Registrant states that the Company has engaged for many years in the business of the manufacture, distribution, wholesale and retail sale of the Wares. The Registrant states that the Company has expended approximately \$50,000.00 per year for at least the last three years in advertising expenditures in association with the Mark during the Relevant Period. The Company's main advertising expenditures are effected through attendance at trade shows. In support of her statements of use and advertising of the Mark, the Registrant attaches the following exhibits:

- Exhibit AJ-2 that consists of printouts from the website <http://www.duefratelli.com>, which the Registrant describes as the Company's website. Upon review of these printouts, I note that no reference is made to the numbered company 9075-7691 Quebec Inc. *per se*. Rather, the website refers to "H & V LEATHERGOODS" or the diminutive "H & V". I am satisfied from my review of the evidence as a whole – including the designations used on the invoices AJ-5 discussed below and Ms. Keverian's strong and explicit statements concerning the tight control exercised over the use of the Mark by her

Company as exclusive licensee - that “H & V LEATHERGOODS” and “H & V” are trade-names of 9075-7691 Quebec Inc. That said, the fact remains that these printouts are dated after the Relevant Period and that the Registrant does not state that such printouts are representative of the Company’s website as of the Relevant Period. Furthermore, these printouts do not show how the Mark is marked on the Wares themselves or on the packages in which they are distributed or is in any other manner so associated with the Wares pursuant to s. 4 of the Act;

- Exhibit AJ-3 that the Registrant describes as “representative promotional materials and corporate brochures featuring [the] Company’s [Wares] under the [Mark]”. I note that the first of these promotional materials consists of an undated brochure depicting only ladies’ handbags and purses, together with their corresponding style numbers. The Mark is prominently displayed on the front cover of the brochure. Listed on the back cover of the brochure are various business addresses, including one in Canada. Two of these business addresses, namely the ones located in the states of New York and Tennessee have been inked out. The second alleged promotional material consists of undated photographs of various models of ladies’ handbags and purses, as well as of some jackets, belts, wallets, card cases, briefcases and travelling bags. Except for a brief introductory text in a language other than English or French, and references to the Mark, the website “*duefratelli.com*” and various style numbers, no information is provided;
- Exhibit AJ-4 that the Registrant describes as “specimens in the form of labels and hang tags used by [the] Company on [the Wares] as sold in Canada and which clearly display the Mark”. Upon review of these materials, I note that they, indeed, prominently display the Mark. The labels are made of fabric and include either one of the following descriptions: “MADE IN CANADA” or “GENUINE LEATHER MADE IN CANADA”. The hang tag is made of cardboard. While Ms. Keverian does not expressly state in that sentence of her affidavit that such materials were used during the Relevant Period, this can be implied by her language and the affidavit as a whole;
- Exhibit AJ-5 that the Registrant describes as “copies of [...] representative invoices which establish that the [Wares] under the [Mark] have been sold by [the] Company to retailers in Canada during the Relevant Period”. The Registrant confirms that “each reference in the invoices is a reference to one of the [Wares] as described [in her

affidavit] sold under the [Mark]”. Upon review of these invoices, I note that they are issued by “9075-7691 Quebec Inc. (H & V Leathergoods)”. For each invoice, the Registrant describes the specific Wares that are referenced in the invoices as the product descriptions listed on the invoices (for instance “2/black alleg.”, “3/blk.hv”, etc.) are unintelligible. Except for the wares described as “trunks”, I note that each of the Wares covered by the registration has been referenced by Ms. Keverian. I further note that many of the “product codes” identified in the invoices match the style numbers indicated in the promotional materials filed as Exhibit AJ-3 discussed above (see among others, luggage “LG. 84”, belt “B-14”, purse “792 S”, handbag “610 S”, card cases “CCH-24”, briefcase “BR. 0012”, etc.);

- Exhibit AJ-6 that consists of a document which provides a yearly breakdown of the Company’s sales in Canada in association with the Mark during the Relevant Period. More particularly, the sales figures are \$497,235.72 (from April 1, 2006 to March 31, 2007); \$404,278.85 (from April 1, 2007 to December 31, 2007); \$530,652.32 (from January 1, 2008 to September 30, 2009) and \$434,800.00 (from January 2008 to September 30, 2009);
- Exhibit AJ-7 that the Registrant describes as “representative examples of advertisements which [the] Company has placed featuring the [Mark] during the Relevant Period”. Upon review of these materials, I note that they include copies of advertisements depicting the Mark placed in the Western Canadian Shoe Association trade show or annual meeting programs during the Relevant Period;
- Exhibit AJ-8 that the Registrant describes as “representative examples of trade shows which [the] Company has attended in order to advertise and promote the [Mark] in association with the [Wares] during the Relevant Period”. Upon review of these materials, I note that they consist of specimens of the Toronto Shoe Show programs for the years 2006 to 2009. In each of the programs “DUE FRATELLI” booths are identified; and
- Exhibit AJ-9 that the Registrant describes as “representative pictures of [the] Company’s boot [sic] during a trade-show advertising the [Wares] in association with the Mark during the Relevant Period”. The pictures show the prominent display of the Mark and

the trade-name “H & V Leather Goods Handbags & Accessories”. They also show the display of numerous handbags and purses identified with hang tags.

[11] The Registrant concludes her affidavit stating that on the basis of the facts presented in her affidavit including in Exhibits AJ-1 to AJ-9, she confirms that the Company has continuously and regularly sold the Wares in Canada in association with the Mark throughout the Relevant Period. Accordingly, the Registrant requests that a decision to maintain the subject registration on the Register be rendered as the Mark “is a valued asset which has developed a significant reputation in the Canadian marketplace and a high degree of consumer loyalty”.

[12] Upon review of the evidence as a whole, I am satisfied that, except for the wares described as “trunks” discussed below, the Registrant has used the Mark in association with all of the Wares, and that such wares were sold in Canada during the Relevant Period.

[13] The only reference to the wares “trunks” is found in the statement of the Wares covered by the registration cited by the Registrant in one of the introductory paragraphs of her affidavit. However, the Registrant has not adduced any evidence with respect to the wares described as “trunks”. There are no facts which would permit me to conclude that during the Relevant Period, the Mark was also in use in association with these wares, and there is no evidence of special circumstances that would excuse the absence of such use.

[14] To the contrary, the Registrant’s explicit statements of use when providing an explanation of each of the Wares referenced in the invoices discussed above, together with the specimens of photographs of the wares and promotional materials, lead me to conclude that the Registrant’s types of luggage sold in association with the Mark do not encompass articles as large as “trunks”.

[15] Before concluding, I wish to address in detail some of the Requesting Party’s written representations. The Requesting Party submits that the Registrant’s statement that she is the President and sole shareholder of the Company is contrary to information contained in the Quebec Register of Enterprises (CIDREQ) which identifies “Archalous Jakmakjian” rather than

“Archalous Jakmakjian Keverian” as the majority shareholder in the capital stock of the Company and the sole Officer and Director thereof, the whole as appears more fully from a document emanating from the Internet site of CIDREQ, a copy of which is attached as Annex A to the Requesting Party’s written representations.

[16] As objected to by the Registrant in her written representations, the Requesting Party is attempting to introduce evidence and conduct a cross-examination of Ms. Keverian, which is prohibited by s. 45(2) of the Act. Section 45(2) is clear: the Registrar may only receive evidence tendered by or on behalf of the registered owner. It is not intended pursuant to s. 45 that there should be any trial of a contested issue of fact but simply an opportunity for the registered owner to show that its mark is in use, or if not, why not [see *Canada Registrar of Trade-marks v. Meredith & Finlayson* (1991), 40 C.P.R. (3d) 409 at 412 (F.C.A.)].

[17] The Requesting Party further submits that the Registrant has failed or neglected to provide a copy of any written exclusive license agreement between affiant Keverian and the Company, if such written license agreement actually exists. Given such failure on the part of the Registrant, the Requesting Party submits that it is impossible to ascertain whether the Registrant maintains sufficient control over the alleged use of the Mark in order to satisfy the requirements of s. 50 of the Act. I disagree.

[18] As pointed out by the Registrant in her written representations, a written license agreement is not required to establish the fact of a licence and oversight by the registered owner of a trade-mark over the character or quality of the licensed wares pursuant to s. 50 of the Act. I agree with the Registrant that the fact of the license as detailed in the Registrant’s affidavit as well as the relationship between the Registrant and the licensee, establishes the comprehensive control which the Registrant exercises over the licensee in this instance in connection with the oversight of the character and quality of the Wares. This is sufficient to permit use of the Mark by the licensee to enure to the entire and exclusive benefit of the Registrant pursuant to s. 50(1) of the Act [see *Gowling, Strathy & Henderson v. Samsonite Corp.* (1996), 66 C.P.R. (3d) 560 (T.M.O.B.); *Mantha & Associates v. Central Transport Inc.* (1995), 64 C.P.R. (3d) 354 (F.C.A.)];

Petro-Canada v. 2946661 Canada Inc. (1998), 83 C.P.R. (3d) 129 (F.C.); and *Automobility Distribution Inc. v. Jiangsu Electronics Industries Ltd.* (2005), 43 C.P.R. (4th) 157 (T.M.O.B.)]

[19] The Requesting Party further submits that i) no correlation, if such correlation exists, is made between the various model numbers indicated on the invoices forming part of Exhibit AJ-5 and the Wares allegedly distributed in association with the Mark; ii) the description of items set forth on the invoices forming part of Exhibit AJ-5 does not correspond to the alleged description provided by affiant Keverian; and iii) the description of items as set forth in such invoices does not comprise all of the wares contained in the registration. As per my review above of the Registrant's evidence, and contrary to the Requesting Party's submissions, it is possible to cross-reference many of the "product codes" identified in the invoices filed as Exhibit AJ-5 with the style numbers indicated in the promotional materials filed as Exhibit AJ-3. While it is true that not all of the Wares covered by the registration can be so cross-referenced, and that the "description" of the items as set forth in the invoices is of no assistance in understanding the nature of the items sold, the fact is that Ms. Keverian does describe the specific Wares that are covered by each of the invoices separately. As indicated above, except for the wares described as "trunks", each of the Wares covered by the registration has been referenced by Ms. Keverian. Considering these explicit statements of Ms. Keverian together with the photographs of the wares depicted in Exhibit AJ-3 and the evidence as a whole, I am prepared to consider that, except for the wares described as "trunks", the evidence adduced by the Registrant amounts to "representative use" as described by Senior Hearing Officer Savard in *Mendelson, Rosentzveig & Shacter v. Giogio Beverly Hills, Inc.* (1994), 56 C.P.R. (3d) 399 at 402-403 (T.M.O.B.).

[20] In view of the above, pursuant to the authority delegated to me under s. 63(3) of the Act, the registration will be amended in compliance with the provisions of s. 45 of the Act to delete the wares “trunks”.

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office