



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

Citation: 2014 TMOB 2
Date of Decision: 2014-01-03

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by 2169-5762 Quebec inc. against registration
No. TMA716,217 for the trade-mark FOLLI FOLLIE
Design in the name of Duty Free Shops S.A.**

[1] At the request of 2169-5762 Quebec 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 August 11, 2011 to Duty Free Shops S.A. (the Registrant), the registered owner at that time of registration No. TMA716,217 for the trade-mark FOLLI FOLLIE Design (the Mark), shown below:

[2] I note that the Canadian Intellectual Property Office (CIPO) recorded a change of name of the Registrant on May 31, 2013, recording the Registrant's new name as Folli Follie Commercial, Manufacturing and Technical Société Anonyme, with an effective date of April 11, 2013.

[3] The Mark is registered for use in association with the following:

Wares:

(1) Perfumes; jewelry, costume jewelry, picture frames of precious metals, watches; handbags, belts, key cases, wallets, purses; scarves.

(2) Perfumes, eau de cologne; precious metals and their alloys and goods in precious metals or coated therewith, namely, jewellery cases of precious metals, powder compacts of precious metals and purses of precious metals; jewelry, imitation jewelry; costume jewelry; precious stones; horological and chronometric instruments, namely watches and clocks; leather; bags, namely school bags, shopping bags, wheeled shopping bags, travelling bags; attaché cases, haversacks, belts, handbags, key cases, leather laces, wallets and purses, satchels; fur; umbrellas, parasols; scarves.

Services:

(1) Bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods from a retail store and/or from general merchandise catalogue or general merchandise internet website by means of telecommunications; provision of information, advice and/or assistance to customers in the selection of goods brought together by means of any of the aforesaid services.

[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 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 August 11, 2008 and August 11, 2011.

[5] For the purposes of this decision, the relevant definitions of use are set out in sections 4(1) and 4(2) 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.

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 a section 45 proceeding [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. Although the threshold for establishing use in these proceedings is quite low [*Woods Canada Ltd v Lang Michener et al* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co 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 wares or services specified in the registration during the relevant period.

[7] In response to the Registrar's notice, the Registrant filed the affidavit of Robert Carter, sworn March 9, 2012. Mr. Carter is the Area Sales Director Canada for Links of London, a jewellery vendor owned by the Registrant. Both parties filed written arguments; an oral hearing was held at which only the Registrant was represented.

Preliminary Remark

[1] At the oral hearing, the Registrant conceded that its evidence does not show use of the Mark with the following wares:

- (1) Perfumes; picture frames of precious metals; belts; scarves.
- (2) Perfumes, eau de cologne; precious metals and their alloys and goods in precious metals or coated therewith, namely, jewellery cases of precious metals, powder compacts of precious metals and purses of precious metals; imitation jewelry; precious stones; horological and chronometric instruments, namely [...] clocks; leather; bags, namely school bags, shopping bags, wheeled shopping bags, travelling bags; attaché cases, haversacks, belts, leather laces; fur; umbrellas, parasols; scarves.

[8] As no special circumstances have been demonstrated that would excuse the absence of the use of the Mark in association with these wares, they will be deleted from the registration for the Mark.

[9] My decision will thus focus on a determination of whether the Mark was used in Canada during the relevant period in association with the remaining wares and services, namely:

Wares:

- (1) Jewelry, costume jewelry, watches; handbags, key cases, wallets, purses.
- (2) Jewelry; costume jewelry; horological and chronometric instruments, namely watches; handbags, key cases, wallets and purses, satchels.

Services:

- (1) Bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods from a retail store and/or from general merchandise catalogue or general merchandise internet website by means of telecommunications; provision of information, advice and/or assistance to customers in the selection of goods brought together by means of any of the aforesaid services.

Did the Registrant use the Mark in association with the wares during the relevant period?

[10] Mr. Carter begins by setting out the Registrant's business as follows. Incorporated in Greece, the Registrant is responsible for the design and manufacture of all goods sold in association with the Mark. As such, Mr. Carter attests that the Registrant maintains direct control over the character and quality of all goods manufactured and sold worldwide, including Canada, in association with the Mark.

[11] Mr. Carter explains that the Registrant's products are sold through three main channels of trade in Canada: (a) sale to third party retailers such as Aldeasa Vancouver Limited Partnership (Aldeasa) which operates various duty free shops in the Vancouver International Airport; (b) sale to DFASS Canada Company (DFASS) which supplies the Registrant's products for in-flight sales on Air Canada and other commercial airlines; and (c) sales to customers through its online retail store.

[12] Furthermore, Mr. Carter states that the Registrant's wholly owned subsidiary, Folli Follie Hong Kong Limited (Folli Follie Hong Kong), is responsible for distributing the Registrant's products sold under the Mark to certain regions of the world, including Canada. In this regard, sample invoices issued by Folli Follie Hong Kong to Aldeasa of Richmond, British Columbia and DFASS of Mississauga, Ontario are attached as Exhibit "2" and Section "A" of Exhibit "5" to the Carter affidavit respectively. The invoices pertain to the sale of items described as "earrings", "necklace", "ring", "pendant" and "watch" dated between September 2008 and September 2010.

[13] In its written submissions, the Requesting Party argues that these sales do not enure to the benefit of the Registrant since it failed to provide a copy of its licensing agreement with Folli Follie Hong Kong. I disagree with the Requesting Party. Mr. Carter clearly states that the Registrant is responsible for the design and manufacture of all of the wares in question; he also provides that Folli Follie Hong Kong is simply acting as the Registrant's distributor. Thus, I am satisfied that the Registrant has sold the wares listed in the invoices attached as Exhibits "2" and "3" to the Carter affidavit through its normal course of trade. In any case, I would point out that

Mr. Carter also indicates that the Registrant maintains control over the character and the quality of the wares sold in association with the Mark at all times.

[14] The Requesting Party also contends that since Aldeasa operates duty free shops in the Vancouver International Airport, it cannot be said that the wares were sold in Canada. I note that the Requesting Party did not cite any case law in support of its argument. It also takes issue with the sale of jewellery items on international flights in that the wares were not sold in Canada. The Registrant simply needs to show that its wares were sold in the normal course of trade in Canada, regardless of their final destinations. In the present case, the Registrant has done so by providing representative invoices issued by its distributor to two Canadian entities during the relevant period, Aldeasa and DFASS Canada located in British Columbia and Ontario respectively.

[15] On a separate note, the Requesting Party submits that the invoice attached as Section “A” of Exhibit “5” to the Carter affidavit cannot serve as evidence of sales between Folli Follie Hong Kong and DFASS Canada since the document is marked with the word “DRAFT”. In his affidavit, Mr. Carter explains that the invoice is marked “DRAFT” “because it was printed from computer records and is unsigned”. When the evidence is viewed in its entirety and bearing in mind Mr. Carter’s explanation, I am prepared to accept the sample invoice as evidence of sales between the Registrant’s distributor and DFASS Canada.

[16] In terms of online sales, Mr. Carter provides that the Registrant operates its own online retail store at *www.follifollie.com*, which is accessible to Canadians. According to the affiant, Canadians may complete purchases of various products sold under the Mark on the Registrant’s website with a credit card. The products are shipped directly from Greece to customers in Canada. Sample copies of shipping labels and invoices, along with the pictures of the corresponding products from the website, are attached as Exhibit “7” to the Carter affidavit. The documents pertain to sales of items that can be described as rings, wallets, handbags, clutch purses, key cases, and satchels. These invoices are issued in the name of the Registrant between April 2010 and May 2011, with shipping addresses in Ontario, Alberta and British Columbia. With the exception of the ring, the Mark can be clearly seen on each of the bags, and the wallet.

[17] The Requesting Party contends that these invoices cannot be considered because the invoices are written in Greek. It also argues that the invoices cannot serve as evidence of the sales conducted in the Registrant's normal course of trade in Canada because they are in Euros rather than in Canadian dollars. I disagree with the Requesting Party. Most of the information on the invoices attached as Exhibit "7" to the Carter affidavit is written in Greek and in English. Thus, I am able to determine the delivery address, the date of the invoice, the item sold, the quantity, the unit price, the shipping fee, as well as the total value of each sample invoice. Moreover, the fact that the invoices are in Euros corroborates with Mr. Carter's explanation of the Registrant's normal course of trade for its online sales; the items are shipped directly from Greece to customers in Canada.

[18] In terms of the manner in which the Mark was used with the wares, Mr. Carter also states that all goods are sold in multiple pieces of premium packaging, with each piece bearing the Mark. Packaging includes at least a box and/or a bag, and in most cases, a guarantee card, a ribbon and additional bags. In support, representative photos of the packaging materials are attached in Section "A" of Exhibit "7" as well as Exhibit "8" to his affidavit. The Mark can be seen on a bag, a ribbon, a box, a pouch and a guarantee card.

[19] When the evidence is viewed in its entirety, I am satisfied that the Registrant has shown use of the Mark in association with "jewelry", "costume jewelry", "watches", "horological and chronometric instruments, namely watches", "handbags", "key cases", "wallets", "purses", and "satchels" during the relevant period within the meaning of section 4(1) of the Act.

Did the Registrant use the Mark in association with the services during the relevant period?

[20] In his affidavit, Mr. Carter explains that the Registrant provides services in Canada in association with the Mark by the virtue of the website discussed above. In addition to "permitting customers in Canada to conveniently view and purchase merchandise online", the website also provides advice and assists the Registrant's customers in selecting goods. Mr. Carter also points out that copies of the Registrant's print catalogues are available from the website.

[21] In this regard, printouts of the website said to be from “May and June 2011” are attached as Exhibit “6” to the Carter affidavit. I note the Mark appears prominently with a picture of a shopping bag on top of each page. Items such as rings, earrings, necklaces, bracelets, pendants, watches, bags, wallets and pens are shown, with options to refine the display based on price and style preferences. References to the “New Folli Follie Catalogue 2011” and “Folli Follie Newsletter” also appear at the bottom of each page. Attached as Exhibits “7” to the Carter affidavit are printouts of individual jewellery items shown next to the “Add to Shopping Bag” button. As such, the Mark was shown on the Registrant’s website which enabled customers in Canada to view, to obtain information on, and to purchase, various items during the relevant period.

[22] When these printouts are viewed in conjunction with the previously mentioned invoices confirming items purchased from the Registrant’s online store by Canadian customers, I am satisfied that the Mark was used in the performance of the services during the relevant period within the meaning of section 4(2) of the Act.

Disposition

[23] In view 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 services and amended to delete the following wares:

- (1) Perfumes; picture frames of precious metals; belts; scarves.
- (2) Perfumes, eau de cologne; precious metals and their alloys and goods in precious metals or coated therewith, namely, jewellery cases of precious metals, powder compacts of precious metals and purses of precious metals; imitation jewelry; precious stones; [...] and clocks; leather; bags, namely school bags, shopping bags, wheeled shopping bags, travelling bags; attaché cases, haversacks, belts, leather laces; fur; umbrellas, parasols; scarves.

[24] The amended statements of wares and services will read as follows:

Wares:

- (1) Jewelry, costume jewelry, watches; handbags, key cases, wallets, purses.
- (2) Jewelry; costume jewelry; horological and chronometric instruments, namely watches; handbags, key cases, wallets and purses, satchels.

Services:

(1) Bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods from a retail store and/or from general merchandise catalogue or general merchandise internet website by means of telecommunications; provision of information, advice and/or assistance to customers in the selection of goods brought together by means of any of the aforesaid services.

Andrea Flewelling
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