

IN THE MATTER OF A SECTION 45 PROCEEDING
respecting registration No. 278,467 for the trade-
mark JACK standing in the name of Foodmaker, Inc.

On August 5, 1994, at the request of Messrs. Gowling, Strathy and Henderson, the Registrar forwarded a Section 45 Notice to Foodmaker, Inc., the registered owner of the above referenced trade-mark registration No. 278,467. The trade-mark JACK is registered for use in association with the following wares:

"Sandwiches and burritos for consumption on or off the premises".

In response to the Section 45 notice, the registrant furnished the affidavit of George Kastanas. Both the requesting party and the registrant made written submissions in regard to the present proceedings. An oral hearing was conducted at which only the requesting party attended.

Prior to January 1, 1996, Section 45 of the Trade-Marks Act R.S.C. 1985, c. T-13 (hereinafter "the Act") required the registered owner to demonstrate use of its trade-mark at any time during the two years preceding the date of the Notice. However, Section 45 as amended by the World Trade Organization Implementation Act now requires the registrant to demonstrate use at any time during the **three year period** preceding the date of the notice for each of the registered wares and/or services. The Trade-Marks Opposition Board applies Section 45 as amended to all Section 45 cases whether they were commenced before or after January 1, 1996. Consequently, the relevant period in this case is between August 5, 1991 and August 5, 1994. If the registrant cannot show use within this period, it is required to show the date of last use of the mark and provide the reason for the absence of use since such date.

In his affidavit, Mr. Kastanas deposes that he operates a restaurant business under the name Chick-N-Joy and has been

licensed by the registrant to use in Canada a number of its trade-mark registrations including the trade-mark JACK. The affiant further asserts that he was recorded as a registered user of the mark. A copy of the referenced agreement, which was also used to record the affiant as registered user, was appended to Mr. Kastanas' affidavit as Exhibit A.

Mr. Kastanas asserts that he sells hamburg, chicken and fish sandwiches packaged in sandwich bags supplied by the registrant to customers daily on a take-out basis. Specimens of these bags are attached to his affidavit as Exhibit C. At paragraph 5 of his affidavit, Mr. Kastanas estimates that over the last three years he has sold in excess of 50,000 hamburg, chicken and fish sandwiches in the packaging attached as Exhibit C.

The arguments of the requesting party presented at the oral hearing can be summarized as follows. First, it submits that use has not been shown by the registered owner pursuant to s.50 of the Act. Second, it maintains that the registrant has failed to show use of the mark JACK in association with the registered wares. I will address each of these submissions.

At the hearing, counsel for the requesting party submitted that the affiant fails to state anywhere in his affidavit that the registrant has control over the character and quality of the wares under the license as prescribed by s.50 of the Act. However, I observe that the agreement attached as Exhibit A to the Kastanas affidavit provides that the wares and services upon which the trade-marks are used "shall be of a standard and quality acceptable to the trade-mark owner". I also observe that the agreement states the owner shall have the right to obtain sample wares sold by registered user under the trade-marks and to inspect the premises of the registered user to ensure that the standard is being maintained with respect to the wares. In view of this agreement, I am prepared to infer that the registered owner exercises control

over the character and quality of the wares under the license pursuant to s.50 of the Act.

Regarding the requesting party's second argument, I agree that the registrant has failed to show use of the mark JACK in association with the registered wares. As the requesting party has pointed out, the affiant does not state in his affidavit that his sandwiches are sold under the JACK trade-mark. He merely states that he has sold "in excess of 50,000 hamburg, chicken and fish sandwiches all packaged in bags previously identified". As the registrant has conceded in its written submissions, use of the word JACK by itself in association with the wares has not been shown on the packaging attached as Exhibit C to his affidavit. Appearing on the packaging is the registrant's clown logo under which appears the registrant's JACK IN THE BOX mark. Also appearing on the packaging, *inter alia*, are three of the registrant's other trade-marks including: BONUS JACK, JUMBO JACK and MOBY JACK.

Assuming that use has been shown of the trade-marks BONUS JACK, JUMBO JACK and MOBY JACK, the issue to be resolved is whether use of these marks constitute use of the mark JACK as registered. The registrant submits that the public would perceive the mark JACK as a trade-mark separate and apart from the other trade-marks appearing on the packaging for the following reasons. Relying on Nightingale Interloc Ltd. v. Prodesign Ltd. (1984), (1985) 2 C.P.R. (3d) 535 (hereinafter Nightingale), it argues that the word JACK is used in a family of trade-marks owned by the registered owner in which the single, common and dominant element is the word JACK. Referring to Ogilvy Renault v. Arbor Restaurants, Inc. 55 C.P.R. (3d) 401 (hereinafter Ogilvy Renault), the registrant submits that in the context of sandwiches, the words JUMBO and BONUS are descriptive terms and "simply modify a species of the registered owner's JACK sandwiches". As such, he argues that they do not alter the overall appearance of the JACK trade-mark.

I respectfully disagree with the registrant's submissions.

Having regard to the Federal Court of Appeal's decision in Compagnie Internationale pour l'Informatique CII Honeywell Bull v. Registrar of Trade Marks (1985), 4 C.P.R. (3d) 523 (F.C.A.), I am not satisfied that use of the marks JUMBO JACK, BONUS JACK or MOBY JACK constitute use of the mark JACK as registered. In responding to the question regarding whether use of the composite mark CII HONEYWELL BULL constituted use of the registered trade-mark BULL, the court stated as follows:

"That question must be answered in the negative unless the mark was used in such a way that the mark did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used."

In the present case, the registrant has not shown any use of the mark JACK separate from the words BONUS, JUMBO or MOBY.

While it was established in Nightingale, supra, that use of a mark in combination with additional material can constitute use of the mark, this would only be the case if the public, as a matter of first impression, would perceive the mark *per se* as being used as a trade-mark. As stated in Nightingale, this is a question of fact dependent upon such factors as whether the marks stands out from the additional material, e.g. by the use of different lettering or sizing, or whether the additional material would be perceived as purely descriptive matter.

In the present case, the word JACK appears on the packaging in the same size and lettering as the words JUMBO, BONUS or MOBY. As such, it is **not** more dominant than the other words as the registrant maintains.

Further, I am not satisfied that the words JUMBO and BONUS, in the manner they are used, would be perceived by the public as merely descriptive or suggestive terms describing a JACK sandwich. As the requesting party pointed out at the oral hearing, the

present case can be distinguished from Ogilvy Renault, supra, where the hearing officer concluded, with some difficulty, that use of the trade-mark RITZ REDHOTS was use of the trade-mark RITZ. In that case, the hearing officer was satisfied that the public might consider RITZ as a trade-mark identifying a "sandwich consisting of a sausage or wiener enclosed in a bread roll" since: 1) the menu item in question was commonly called a RED HOT or HOT DOG; and 2) the mark RITZ appeared in the store separate from the word REDHOTS.

In the present case, as mentioned above, the word JACK does not appear separate from the marks BONUS JACK, JUMBO JACK or MOBY JACK. Instead, the words BONUS, JUMBO and MOBY are each used together with the mark JACK comprising what I view to be unitary expressions. Consequently, I am of the view that the public would not perceive the word JACK *per se* as being used as a trade-mark.

In view of the evidence furnished, I conclude that use of the trade-mark JACK has not been shown. By virtue of the provisions of Section 45(5) of the Act, Registration No. TMA 278,467 will be expunged.

DATED AT HULL, QUEBEC, THIS 14th DAY OF May, 1996.

Cindy R. Vandenakker
Hearing Officer