



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

Citation: 2013 TMOB 56
Date of Decision: 2013-04-03

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by LG Electronics against registration
No. TMA688,775 for the trade-mark LG Gear in the
name of Valgear Inc.**

[1] At the request of LG Electronics (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 13, 2010 to Valgear Inc. (the Registrant), the registered owner of registration No. TMA688,775 for the trade-mark LG Gear (the Mark).

[2] The Mark is registered for use in association with the following wares and services:

Wares:

(1) Computer accessories: namely, CD-holders, jewel case, all types of computer cables, keyboard, mouse, monitor screen, drawer, mouse pad, ink cartridges, printer toners, wireless mouse and keyboard, power surge protector, power bar, UPS back up, CdR and DvdR media, CD cleaners, cables and connectors, adaptor speakers, speaker phone, ear phone, memory sticks and memory; memory card readers for xd, mmc, sanddisk, floppy disk, flash memory; joysticks & game steering wheel; notebook locked, carrying case, travel case, camera case, game case, notebook case, PDA bags, PDA connectors, cables keyboard, pens and leather case; audio & video accessories: namely, A/V Cables, connectors, CD holders, surge protector, speakers, TV & audio remote controls, car alarms, camera tripod, camera bags, camera, voice recorders, batteries & rechargeable batteries for cameras, notebook, video or camcorder, portable electronic game machines, cellphones, battery chargers, telephone chargers, USB charger, cellphone accessories, bags, connector for cell phones, TV and audio splitters, microphones, RF modulators, projector stand, AV splitter, cables for speakers; other Accessories: namely storage products, namely: CD Roms, cdrw (cd rewritable drive), DVD roms, DVD +R/W drive, hard drive for computer and notebook; memory of all types for games, cameras, camcorders and USB pen drive, mp3 device and players; stationeries: namely, binder,

file, pen, pencil, markers, eraser, paper, photo paper, ink cartridges, calculators, telephones, ear phones, voice recorder, MP3 recorder, note pad, labels, laminator, scanner, paper and CD shredder, shredder basket, filing cabinet, office furniture (desk, chair), time pieces, clocks, copy paper and tapes recorded and blank; cassettes and tapes: namely: a) blank video, camcorder and voice recorder magnetic tapes namely VHS, digit Cam, DVdR media; b) all optical media, writable, or rewritable, all DVD media for storage; c) all memory flash, xd, mmc, sd ram; d) blank and formatted diskettes and blank zip disk; others: namely: USB devices and 1394 fire wire devices.

Services:

(1) (a) Computer consultation; (b) Computerized on-line retail services in the field of computer peripherals and accessories; (c) Computer installations and repairs.
(2) d)d)Design, installation, interconnection, testing and maintenance of computer hardware and software, and information security services, used for commercial transactions, namely, buying, selling, marketing products over a global computer network.

[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 August 13, 2007 and August 13, 2010 (the Relevant Period).

[4] 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.

(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.

[5] 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* (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 and services specified in the registration during the relevant period.

[6] In response to the Registrar's notice, the Registrant furnished the affidavit of Royson Ng, Sales Director of the Registrant, sworn on March 14, 2011. Both parties filed written representations; only the Registrant attended an oral hearing.

Evidence Submitted by the Registrant

[7] In his affidavit, Mr. Ng states that the Registrant is a wholesaler of computer peripherals and accessories, buying merchandise in large quantities from manufacturers and redistributing it to retailers. Mr. Ng explains that the Registrant's products are sold in Canada at Best Buy and Future Shop retail stores.

[8] Mr. Ng also attests that the Registrant offers "after market services", including computer consultation, installation and repair services for its products online through its website, *www.valgear.com* (the Website), and through a toll free number. Mr. Ng states that the Registrant also provides returns and exchanges on all of its products to end users, as well as free software online which enables customers to recover data stored on USB sticks, pendrives and other devices sold by the Registrant.

[9] Of particular note, Mr. Ng states that the Registrant displays the design shown below (the Stylized Logo) on the "products and packaging of the computer peripherals and accessories" sold by the Registrant:



[10] Mr. Ng explains that this design is "a stylized logo that features a double 'G'". He attests that in the coloured version of this design, 'LG' is in red, and 'Gear' is in black, such that the 'G' is shown in red and also framed in black. I note, however, that Mr. Ng does not furnish any evidence showing a coloured version of the Stylized Logo.

[11] Mr. Ng asserts that the Registrant used the Mark in association with all of the Wares and Services. In support, he attaches the following exhibits to his affidavit:

- Exhibit A is a copy of a Future Shop flyer from November 2009 which advertises various products, including a “4 GB USB 2.0 Drive”, which is displayed with the Stylized Logo above the product description as well as on the product packaging.
- Exhibit B consists of seven “representative invoices” of sales from the Registrant to Best Buy Canada dated within the Relevant Period. I note that the shipping and billing addresses do not correspond in any of the invoices. As well, the only “LG Gear” products appearing in the invoices are “LG GEAR PENDRIVE” and “LG GEAR USB DRIVE”.
- Exhibit C consists of representative samples of “set-up information” forms which Mr. Ng describes as “Excel forms maintained by Canadian retailers to whom the LG Gear product is sold”. I note that the Mark is displayed throughout the form; however, the purpose of the form is not self-evident.
- Exhibit D consists of three printouts from the Registrant’s Website dated September 3, 2011. On the first page of the printouts, I note that three USB pen drives, similar to those advertised in Exhibit A, are shown in their packaging. The Stylized Logo is displayed on the packaging and on the drives themselves. The Stylized Logo is also displayed alongside other logos at the bottom of page two of the printouts. The logo for the Registrant’s trade-name, “Val Gear”, appears at the top of each webpage. Additionally, “Drivers Download” links appear on the first page, though the corresponding products are not clearly identified. A toll free number for “technical support” is also displayed at the top of the page below the Val Gear logo. Finally, a “Drivers Download & Support” link is displayed on the right side of all three pages.

Analysis – Evidence Not Representative of Wares

[12] The Requesting Party submits that the evidence provided on behalf of the Registrant fails to establish use with respect to each of the specified Wares in Canada. It submits that the evidence provided is only with respect to one of the Wares, namely “USB pen drive”.

[13] In its written representations, the Registrant argues that its evidence with respect to pen drives is representative and therefore sufficient to support the registration with respect to all of the Wares [relying on *Saks & Co v Canada (Registrar of Trade Marks)* (1989), 24 CPR (3d) 49 (FCTD)].

[14] I note, however, that there is nothing in the affidavit indicating the evidence is representative. The only statement in support of the registration for all the Wares is in paragraph 3 of Mr. Ng's affidavit, where he attests:

“For all of the wares described above, I believe that the USB memory devices are critical to functionality. Memory is the hub of a computer system, the media and packages set out in the list of wares forming part of the registration, and *because the Trade-mark is shown on the storage devices, it is displayed on all associated wares forming part of the class defined above*” [emphasis added].

[15] In my view, this assertion is without merit; a “USB pen drive” is not in the same category as, for example, “office furniture” or a “camera bag”. Nor is it the case, either in law or in fact, that simply because a pen drive can be used with computers and other devices that any display of a trade-mark on that pen drive results in association of the trade-mark with such computers and other devices.

[16] Accordingly, the analysis below will be limited to the Wares actually shown in the exhibits, namely, “USB pen drive”.

Analysis – Mark as Registered

[17] Prior to reviewing the evidence with respect to USB pen drives more generally, I will first address the issue of whether display of the Stylized Logo constitutes display of the Mark as registered.

[18] The Registrant submits that the Stylized Logo reflects a “design choice”, but is still within the scope of the rights of the word mark as registered. In this respect, it submits that the Stylized Logo incorporates the Mark, whereby all of the letters of the Mark are still in the design, as the ‘G’ is in fact a “double G” and would be perceived as such.

[19] However, I agree with the Requesting Party that the design merely includes a border around the letter G, and not an entire second letter 'G'. As such, I do not agree with the Registrant's submission that the stylized G would be perceived as a double 'G', constituting display of the Mark. Instead, it is my view that the public, as a matter of first impression, would perceive the Stylized Logo as forming 'LGear', pronounced in two syllables and visually different from the Mark.

[20] I consider this to be a substantial deviation from the Mark as registered. In this respect, the practical test to be applied is to compare the trade-mark as it is registered with the trade-mark as it has been used and determine whether the differences between these two marks are so unimportant that an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin [*Registrar of Trade-marks v Compagnie Internationale pour l'Informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 at 525 (FCA)]. The law in this regard emphasizes the maintenance of identity and recognizability of the trade-mark, and the preservation of dominant features [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 at 70 (FCA)].

[21] In this case, the Mark's dominant impression is that of two parts, namely the letters "LG" and the word "Gear". I find that this dominant feature is lost in the Registrant's use of the Stylized Logo, and that the Mark is no longer recognizable to the unaware purchaser. As such, use of the Stylized Logo cannot be considered use of the registered Mark *per se*.

Analysis – Use with respect to USB pen drives

[22] Given the foregoing, the Exhibit A flyer and Exhibit D website printouts must be disregarded, as both display the Stylized Logo only.

[23] With respect to the remaining evidence, the Requesting Party submits that the Exhibit B invoices and the Exhibit C "set-up information forms" are not evidence of use of the Mark, as they do not establish that notice of association was given at the time of transfer of the Wares to meet the requirement for use under section 4(1) of the Act.

[24] In this respect, absent other facts that establish presentation of an invoice at the time of transfer, the appearance of a trade-mark in the body of an invoice does not qualify as use in association with such wares unless information on the invoice, such as dates and addresses, indicates that the invoice was issued and sent on the same day to the entity to whom the wares were shipped [see *Riches, McKenzie & Herbert v Pepper King Ltd* (2000), 8 CPR (4th) 471 (FCTD)].

[25] In this case, as noted above, all invoices furnished at Exhibit B have a “Bill To” name and address that is different from the “Ship To” name and address. As well, there is nothing in the affidavit to establish that at the time of transfer, the purchaser was given notice of association between the Mark and the Wares through either the invoices or the Exhibit C forms.

[26] In any event, I note that at the oral hearing, the Registrant conceded that the invoices are not evidence of use of the Mark on their own, but were intended to show sales of the Wares during the Relevant Period.

[27] Accordingly, Exhibits B and C cannot be relied upon to establish use of the Mark within the meaning of section 4(1) of the Act.

[28] In view of all of the foregoing, I do not find that the Registrant has demonstrated use of the Mark as registered in association with any of the Wares, including USB pen drives, during the Relevant Period within the meaning of sections 4 and 45 of the Act.

Analysis – Use with respect to Services

[29] With respect to the Services, although Mr. Ng attests that the Registrant used the Mark in association with the Services during the Relevant Period, he does not clearly state how the Mark was displayed in the advertising or performance of the Services. Mr. Ng only explains that the Registrant provides computer consultation, installation, and repair services “in association with its LG GEAR products” and furnishes the Exhibit D Website page printouts.

[30] With respect to those printouts from the Registrant’s Website, I note that the date appearing at the bottom right corner of the printouts is “3/9/11” and the copyright notice is “Copyright 2011”, indicating that the content of the Website dates from outside the Relevant

Period. There is nothing in Mr. Ng's affidavit to indicate that the printouts are representative of how the Website appeared during the Relevant Period.

[31] Even if I were to accept that some of the Services were advertised or performed via the Website during the Relevant Period, for the reasons discussed above, I do not consider display of the Stylized Logo to be display of the Mark as registered.

[32] In any event, I agree with the Requesting Party that the Stylized Logo as displayed would not be associated with any such Services. The Val Gear logo appears prominently at the top of each webpage, such that a user would likely associate "Val Gear" with any services offered on the Website, such as the "Download Drivers" link. The other logos, including the Stylized logo, are displayed in separate frames and without context so that no association would be made with any of the links.

[33] In view of the foregoing, I cannot conclude that the Registrant has demonstrated use of the Mark in association with the Services within the meaning of sections 4 and 45 of the Act. Furthermore, the Registrant has not provided evidence of special circumstances excusing the absence of such use.

Disposition

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

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