

SECTION 45 PROCEEDINGS
TRADE-MARK: CRASH DUMMIES
REGISTRATION NO: TMA 406,463

At the request of Crash Dummy Movie, LLC, (the “requesting party”), the Registrar forwarded a notice under section 45 of the *Trade-marks Act* on May 19, 2004 to Mattel, Inc., the registered owner of the above referenced trade-mark (the “registrant”).

The trade-mark CRASH DUMMIES is registered for use in association with the following:

Action figures; playsets and accessories, namely toy cars, toy strollers and toy motorcycles, toy tracks and scenes, signs and decals.

Section 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13, 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/or services listed on 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 use since that date. In this case the relevant period for showing use is any time between May 19, 2001 and May 19, 2004.

Use in association with wares is set out in subsection 4(1) of the *Trade-marks Act*:

A trade-mark is deemed to have been 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.

Special provisions relating to the export of wares are contained in subsection 4(3) of the *Act* and do not apply in the present proceedings.

In response to the Registrar's notice, the registrant furnished the affidavit of Donald Aiken, Vice-President and Assistant General Counsel of Mattel, Inc. Both parties filed written submissions and an oral hearing was held.

At the outset it should be noted that the requesting party objected to Mr. Aiken as an affiant since he assumed his position with the registrant towards the end of the relevant period. I am satisfied, given the purposes of s.45, that Mr. Aiken is an appropriate representative notwithstanding that he had only been in his position since December 2003. Given his role as Vice-President and Assistant General Counsel, I find that he is in a position to have access to his company's records and is in a position to have personal knowledge of sales that occurred subsequent to his assuming his current position. Further, I note that section 45 of the Act does not require the registrant to adduce evidence of use throughout the entire three-year period—only at some point within the previous three years (*Carter-Wallace Inc v. Wampole Canada Inc.* 8 C.P.R. (4th) 30 (F.C.T.D.)).

In my view the pertinent statements in Mr. Aiken's affidavit are as follows:

1. Mr. Aiken has been employed by the registered owner since December 2003, and has held his current position as Vice-President and Assistant General Counsel since that date.
2. Paragraph 6 - From September 2003 to May 19, 2004 his company sold action figures and vehicles in Canada. Mr. Aiken refers to "action figures; and vehicles" collectively throughout the affidavit as the "Mattel wares".
3. Paragraph 7 – The affiant states that Mattel wares sold in Canada by the registrant between September 2003 and May 2004 were marked with the subject trade-mark and identified Mattel Canada Inc. as a manufacturer and source of origin of the Mattel wares.
4. Paragraph 8 – Exhibit A consists of photographs of packaging marked with the trade-mark CRASH DUMMIES, stated to have been used in Canada between September, 2003 and May 19, 2004.
5. Paragraph 9 – Exhibit B consists of copies of sample invoices; the affiant states that references on the invoices to CRASHCARAS, CRASHDUMMY and

- CDVEH + fig, refer to Mattel wares marked with the subject trade-mark which have been sold in Canada between September 2003 and May 19, 2004. Exhibit B also contains accounts receivable records relating to sales in early 2004.
6. Paragraph 10 - The affiant states that Mattel Canada is licensed by and with the authority of the registrant to use the subject trade-mark in Canada, and that the registrant has under licence, direct control of the character and quality of the wares sold by Mattel Canada in Canada.
 7. Paragraph 12 – The affiant states that Mattel Canada sells Mattel Wares to TOYS R US Canada Ltd, and to Wal-Mart Canada Corp., for resale in their retail stores to the general public.

Mr. Aiken also attaches a CD of a television commercial as Exhibit C; however, since advertising is not use of the trade-mark on wares within the meaning of s. 4, this evidence was not considered.

The requesting party submitted that registrant has not used the trade-mark as registered, in that the packaging shows use of the word “incredible ” with “CRASH DUMMIES”. The requesting party submitted that the average consumer would perceive the trade-mark as either one mark - INCREDIBLE CRASH DUMMIES or perhaps three distinct marks – “INCREDIBLE” “CRASH” “DUMMIES”. Further, the requesting party relied on *Sim & McBurney v Harvey Woods Inc.*, (1992) 46 C.P.R. (3d) 399 and *Bereskin & Parr v Kittling Ridge Ltd.*, (2000) 11 C.P.R. (4th) 546 in support of its submission that CRASH DUMMIES used with the word “incredible” does not create an independent impression, and that therefore this is not use of the trade-mark as registered.

It is not always the case that marks used together with additional material are to be considered different from the mark as registered. In both cases relied on by the requesting party the marks involved names of people added to the registered trade mark in such a way as to change the idea; i.e. HARVEY added to WOODS changes the idea from forest or trees to the first and last name of a person; HARRY’S added to HURRICANE changes the idea to a hurricane that belongs to Harry. In my view, in the present case, as the placement of “incredible” is in smaller, less prominent font and in a less dominant

position than CRASH and/or DUMMIES, it would not be perceived as an element of the trade-mark. In my view the appearance of “incredible” with CRASH DUMMIES does not create a new idea, and would merely be perceived as an adjective used as marketing puffery to describe CRASH DUMMIES.

As set out in *Canada (Registrar of Trade-marks) v. Cie International pour l'informatique CII Honeywell Bull* (1985), 4 C.P.R. (3d) 523 at 525 (F.C.A.), where the mark as used deviates from the mark as registered, the question to be asked is whether 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 deciding this issue, one must look to see if the “dominant features” have been preserved, *Promafil Canada Ltée v. Munsingwear Inc.*, 44 C.P.R. (3d) at 59 (FCA). I have concluded based on the Exhibits provided in the Aiken affidavit, and in view of the placement and size of the word “incredible” and the fact that the main idea of the subject trade-mark has not changed - that the dominant features of the mark CRASH DUMMIES have been preserved.

With respect to the establishment of use within the meaning of s.4 (1) of the Act, I find the sample invoices attached as Exhibit B to be sufficient to demonstrate sales in Canada in the normal course of trade of Mattel wares, i.e. “action figures and vehicles”. While it is true that one of the invoices is outside the relevant period, there is an invoice that is dated within the relevant period. As well, Mr. Aiken has attached an accounts receivable printout generated in August of 2004 which lists orders, shipments to various retailers in Canada during the first 4 months of 2004 – within the relevant period. These printouts list, among others, the items CRASHCARA; CRASHDUMMY; AND CDVEH+FIG, which Mr. Aiken states (para. 9) refer to the Mattel wares marked with the subject trade-mark and sold in Canada between September 2003 and May 19, 2004. I find, taken as a whole, that this is sufficient to establish that sales in Canada of “Mattel wares” occurred within the relevant period, subsequent to the appointment of the affiant to his position with the registrant, within the normal course of trade, within the meaning of s.4 (1) and 45 of the Act.

The requesting party submitted that the packaging information did not clearly state that use of the trade-marks by Mattel Canada Inc., was under licence, and that the reference to the fact that the wares were imported by Mattel Canada Inc., could not necessarily be interpreted as indicating that the trade-mark use was under licence. While I agree that there is no explicit statement of a licence agreement on the packaging such as would satisfy the requirements of ss.50 (2) of the Act, I find nothing on the packaging contradictory to the existence of the licence agreement and requisite control sworn to in the affidavit. Contrary to the requesting party's submission that details or "indicia" of control are required to be provided in evidence, the purposes of s.45, s. 50(1) can be satisfied by the registrant/licensee clearly swearing to the fact that the control required by s.50 exists (see *Gowling, Strathy & Henderson v. Samsonite Corp.* (1996), 66 C.P.R. (3d) 560 at p.56; *Mantha & Assocées/Associates v. Central Transport, Inc.* (1995), 64 C.P.R. (3d) 354 (F.C.A.)), or by the submission of a copy of the licence agreement containing provision regarding the control by the registrant over the quality and character of the wares (*Shapiro Cohen Andrews & Finlayson v 1089751 Ontario Ltd.* 28 C.P.R. (4th) 124).

In a s.45 proceeding the requirement for indicia of control is more appropriately applied when there is no clear statement in the affidavit asserting the appropriate facts. For example, the present situation can be distinguished from the Federal Court Trial Division decision in *A&A Jewellers Ltd. v Malcolm Johnston & Associates* (2000) 8 C.P.R. (4th) 56, in that the registrar's decision to expunge clearly stated that although there was an assertion of licence agreements in that case, there had been no assertion as to the requisite control by the registered owner, nor could any evidence of control be found in the Exhibits. The Federal Court overturned the Registrar's decision and maintained the registration based on new evidence filed which provided ample evidence and assertions as to requisite control.

I find, therefore, keeping in mind the purpose and intent of s.45 proceedings, that a sufficient statement of fact has been provided from which I conclude that the provisions of ss.50(1) have been met.

Another issue is the determination of the wares upon which the mark has been used. The affiant states that the trade-mark has been used in Canada on action figures and vehicles, yet “vehicles” does not appear in the statement of wares of the registration as set out above. The requesting party submitted that at the very least “toy strollers and toy motorcycles, toy tracks and scenes, signs and decals” should be deleted from the wares. Further the requesting party submitted that the term “vehicles” used in the affidavit is broader than the word “cars” in the statement of wares.

The packaging in Exhibit A has on it images of a variety of toy items in the CRASH DUMMIES line of wares. While the packaging itself appears to be for a toy sports car, pictures on the packaging include an SUV, action figures, motorcycles, ATVs, and various other figures and accessories along with the words ‘CRASH THEM ALL’. In small print under the pictures it states, “ Each sold separately”. Also as part of Exhibit A is the photograph of an action figure in its package, sold with a skateboard. The back of this packaging also contains pictures of other action figures, a car, SUV, motorcycle, and ATV. Further I note that the action figures include accessories such as skateboards and scooters, i.e. each action figure is shown with its respective mode of transportation. While these pictures do not provide evidence of sale of all the products depicted thereon, they do assist in understanding the nature of the wares and clarify that the affiant’s reference to vehicles in this context, is clearly a reference to toy vehicles and that said vehicles could reasonably be said to include the other modes of transportation depicted on the packaging. I note however, that nowhere in the Aiken affidavit is there mention of “toy strollers, toy tracks and scenes, signs and decals”. While the registrant mentioned during the hearing that decals are included in the packaging in Exhibit A, I am unable to take this into consideration as this fact is not apparent from the affidavit evidence itself.

In view of the foregoing, I am satisfied that there was use of the subject trade-mark within the meaning of s. 45 and ss. 4(1) of the *Act* on “action figures, playsets and accessories, namely toy cars, toy motorcycles”. Accordingly, Registration TMA 406,463 for the trade-mark CRASH DUMMIES will be amended to delete the wares “toy strollers, toy tracks and scenes, signs and decals” in compliance with the provisions of Section 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13.

DATED AT GATINEAU, QUEBEC, THIS 21st DAY OF MARCH 2007.

P. Heidi Sprung

Member, Trade-marks Opposition Board