



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

Citation: 2012 TMOB 54
Date of Decision: 2012-03-21

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Fraser Milner Casgrain LLP against
registration No. TMA484,269 for the trade-mark
ECOTECH in the name of Best Way Stone Limited.**

[1] On February 24, 2009 at the request of Fraser Milner Casgrain LLP (the Requesting Party), the Registrar forwarded a notice under section 45 of the *Trade-marks Act* R.C.S. 1985, c. T-13 (the Act) to Best Way Stone Limited (the Registrant), the registered owner of registration No. TMA484,269 for the trade-mark ECOTECH (the Mark).

[2] The Mark is registered for use in association with the following wares: Retaining walls, retaining wall systems, garden or landscaping walls with or without integral stair cases, walls, bricks, stones, blocks, paving stones, textured walls, blocks, stones and bricks (the Wares).

[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/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 in which use must be shown is between February 24, 2006 and February 24, 2009 (the Relevant Period).

[4] The relevant definition of “use” is set out in section 4(1) 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.

[5] In response to the section 45 notice, the Registrant furnished the affidavit of Jeffrey Pacitto, Account Manager of the Registrant. Both parties filed written representations; an oral hearing was not held.

[6] In his affidavit, Mr. Pacitto states that the Registrant designs, manufactures, sells and distributes for sale landscaping design products. He states that in 1996 the Registrant introduced the Mark in association with a “pre-cast building product”, typically used in the construction of walkways, and commonly referred to in the trade as “paving stones”, “blocks”, “stones” or “bricks”.

[7] As evidence of use of the Mark, Mr. Pacitto provides, at Exhibit A, evidence of only one alleged sale of ECOTECH “paving stones” during the Relevant Period. This exhibit consists of a copy of an invoice dated July 21, 2008. The invoice also shows a date of August 13, 2009, which Mr. Pacitto explains was the date the invoice was printed from the Registrant’s computer database records. I note that the Mark appears in the body of the invoice as part of the product description, namely “EcoTech (TM) AquaPave Granite”.

[8] Evidence of a single sale may be sufficient to establish use of a trade-mark in the normal course of trade, depending on the circumstances surrounding the transaction. As stated in *Philip Morris Inc. v. Imperial Tobacco Ltd.* (1987), 13 CPR (3d) 289 (FCTD) at 293:

Evidence of a single sale, whether wholesale or retail, in the normal course of trade may well suffice so long as it follows the pattern of a genuine commercial transaction and is not seen as being deliberately manufactured or contrived to protect the registration of the trade mark.

[9] However, as noted by the Requesting Party, in *Guido Berlucci & C. S.r.l. v. Brouillette Kosie* (2007) 56 C.P.R. (4th) 401 (FC) at para. 20, the Federal Court stated the following:

...if a registrant owner chooses to produce evidence of a single sale, he is playing with fire in the sense that he must provide sufficient information about the context of the sale to avoid creating doubts in the mind of the Registrar or the Court that could be construed against him.

[10] In the present case, although Mr. Pacitto makes several assertions regarding the normal course of trade in his affidavit and speaks to the reasons for the lack of sales in association with the Mark during the Relevant Period, I find that he has failed to adequately provide the circumstances surrounding the sale. For example, at paragraph 14 of his affidavit, Mr. Pacitto states the following with respect to the normal course of trade:

...The customer would have been aware of the association between the trade-mark ECOTECH and the paving stones when placing the order since the normal practice for placing orders at [the Registrant's] retail outlet is for the customer to identify the product to [the Registrant's] clerk by reference to its trade-mark as described in on-site catalogues or brochures or through [the Registrant's] website and/or for the customer to verify the product identity by reference to its trade-mark after the [Registrant's] clerk has identified or pointed out the product to the customer.

[11] I would note that it does not appear that Mr. Pacitto has direct knowledge of the alleged sale. In the absence of supporting evidence, such as copies of the catalogues, website pages or brochures that would have displayed the Mark in association with paving stones during the Relevant Period, his statements in this respect are speculative and amount to bare assertions.

[12] Furthermore, as an explanation for the lack of sales, Mr. Pacitto attests that the ECOTECH product is a "niche" product in the Registrant's product line, representing a small percentage of the Registrant's total sales and volume. He states that the ECOTECH stones are more ecologically friendly than conventional paving stones, as they incorporate certain design features that allow surrounding vegetation to naturally grow and reduce potentially hazardous surface rainfall run-off. He further states that it is not uncommon for the Registrant to have only a single sale of its ECOTECH product in a particular year, or for that matter to have no sales of ECOTECH product in a particular year. However, he provides no evidence to support this explanation, such as evidence of sales prior to the Relevant Period, which would help establish such a pattern.

[13] As the Requesting Party notes, Mr. Pacitto's allegation that the ECOTECH product represented a small percentage of the Registrant's total sales, both in terms of dollar amount and volume, is vague and could have been better supported by sales figures. Such sales figures would have helped establish relative sales volumes and the normal course of trade. A price comparison with the Registrant's "conventional" paving stone sales would have been helpful, if only to help

establish that the figures appearing on the invoice were consistent with the normal course of trade. As it is, the reason or reasons for the low sales volume are not clear from Mr. Pacitto's affidavit. Although he refers to the Registrant's ECOTECH paving stones as a "niche" product, it is not clear whether low sales are simply due to, for example, the price point of ECOTECH products. Instead, the lack of relevant detail in Mr. Pacitto's affidavit leaves it open to conclude that the Mark was simply not used or advertised during the Relevant Period. This doubt is further emphasized due to the fact that the Registrant's evidence at Exhibit A was printed from the Registrant's database after the Relevant Period. Based on Mr. Pacitto's statements and the invoice itself, however, four copies of the invoice would have been created at the time of the sale, including an "Office Copy". It is not clear why this original was not furnished as evidence.

[14] The only other supporting documentary evidence furnished with the affidavit is from after the Relevant Period. Attached as Exhibit B is a copy of the table of contents from the Registrant's catalogue published in March 2009. Mr. Pacitto states that, prior to the Registrant receiving the section 45 notice in this case, a decision was made to include the Mark in the catalogue and "to provide it with a more prominent display". In this respect, I note that the Mark appears at the top of the table of contents, but not necessarily in association with any particular product, as the table of contents appears to list wares other than paving stones. In any event, this exhibit again raises the question of how prominently, if at all, the Mark was displayed in the Registrant's catalogues that were actually available to customers during the Relevant Period. I find it curious that despite references to catalogues, brochures and the Registrant's website when describing the normal course of trade in his affidavit, Mr. Pacitto attaches no exhibits with respect to such reference materials from the Relevant Period.

[15] Although the threshold for establishing use in these proceedings is quite low [*Woods Canada Ltd. v. Lang Michener et al* (1996), 71 C.P.R. (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co. v. Registrar of Trade Marks* (1982), 63 C.P.R. (2d) 56 (FCTD)], the evidence must nonetheless be clear and unequivocal. 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 specified in the registration during the relevant period. In this case, I find the evidence lacking in necessary detail and, in the absence of

supporting evidence as discussed above, I cannot conclude that the single invoice furnished represents a sale made in the normal course of trade.

[16] Accordingly, I cannot conclude that the Registrant has demonstrated use of the Mark during the Relevant Period in association with any of the Wares within the meaning of sections 4 and 45 of the Act.

Special Circumstances Excusing Non-Use of the Mark

[17] With respect to whether there were any special circumstances excusing non-use of the Mark during the Relevant Period, I note that notwithstanding Mr. Pacitto's comments regarding its ECOTECH paving stones being a "niche" product, the Registrant makes no explicit submissions with regards to special circumstances. In any event, given my findings above with respect to whether the Registrant even marketed its ECOTECH wares prior to the issuance of the section 45 notice, I cannot find that the criteria set out in *Registrar of Trade Marks v. Harris Knitting Mills Ltd.* (1985), 4 CPR (3d) 488 (FCA) have been satisfied in this case. In particular, the Registrant's decision to give the Mark "a more prominent display" in the March 2009 catalogue suggests that, at a minimum, it was within the Registrant's control to display the Mark more prominently during the Relevant Period. In this respect, I note the following observation by Thurlow J. of the Federal Court of Appeal in *Plough Canada Ltd. v. Aerosol Fillers Inc.* (1980), 53 CPR (2d) 62 (FCA) at 66:

There is no room for a dog in the manger attitude on the part of registered owners who may wish to hold on to a registration notwithstanding that the trade mark is no longer in use at all or not in use with respect to some of the wares in respect of which the mark is registered.

[18] As the Registrant has provided no evidence to demonstrate that the reasons for non-use of the Mark were beyond its control, I must further conclude that the Registrant has not demonstrated special circumstances to justify non-use of the Mark during the Relevant Period within the meaning of section 45(3) of the Act.

Disposition

[19] In view of all of the foregoing, 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