



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

Citation: 2010 TMOB 113
Date of Decision: 2010-07-29

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by Selling Solutions Inc. against registration
Nos. TMA527,862 and TMA528,198 for the trade-marks
NEGOTIATION COACH and NEGOTIATION COACH
LOGO in the name of Passmore Inc.**

[1] On November 6, 2007, at the request of Selling Solutions Inc., the Registrar forwarded two notices under s. 45 of the *Trade-marks Act* R.S.C. 1985, c. T-13 (the “Act”) to Passmore Management Inc., the registered owner of the above-referenced trade-mark registrations at that time. Following the issuance of the notices, on June 13, 2008, the Canadian Intellectual Property Office recorded a change of name from Passmore Management Inc. to Passmore Inc. (as a result of an amalgamation effective April 30, 2008). The NEGOTIATION COACH LOGO (TMA528,198) is shown below:



[2] The trade-marks NEGOTIATION COACH and NEGOTIATION COACH LOGO (collectively referred to as the “Marks”) are registered for use in association with the following wares and services:

Wares:

- (1) Printed educational materials and learning materials, namely, client reports, workbooks, teaching materials namely charts and overhead transparencies; forms

both on paper and on diskettes, namely designed to assist in coaching, training, project planning and personal planning in the fields of negotiation, conflict management and dispute resolution.

- (2) Computer programs for use in database management, spreadsheet analysis and word processing with the function offering a systematic approach of preparing, planning, executing and implementing negotiations and dispute resolutions and for use in the field of negotiation and dispute resolution consulting.

Services:

- (1) Provision of coaching and consulting services including diagnostic analysis services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology, negotiation process design, dispute resolution and consensus building; consulting services, namely, advising as to the strategies, procedures, and techniques for negotiating; consulting services, namely, providing the services of an individual experienced in negotiations.
- (2) Educational services, namely, conducting courses, seminars, speaking engagement services, lectures, and providing counselling and tutoring, all of which relate to negotiation, dispute resolution, conflict management and consensus building.
- (3) Information services, namely on negotiation, dispute resolution, conflict management and consensus building provided by electronic means; and promoting goods and services in the area of negotiation, dispute resolution, conflict management and consensus building by preparing and placing advertisements in an electronic magazine accessed through a global computer network; electronic mail services; electronic payment, namely electronic processing and transmission of bill payment data; electronic transmission of messages and data; electronic retailing services, via computer featuring books, CD-ROM's, seminars, conferences in the areas of negotiation, conflict management and consensus building.

[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 November 6, 2004 and November 6, 2007 (the “relevant period”).

[4] Use in association with wares is set out in s. 4(1) of the Act:

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] Use in association with services is set out in s. 4(2) of the Act:

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] In response to the notices issued pursuant to s. 45, the registrant furnished in each case the affidavit of James R. Passmore, sworn on February 4, 2008, together with Exhibits A through I. Neither party filed written submissions; an oral hearing was not requested.

[7] The affidavits in each case are essentially identical.

[8] In his affidavit, Mr. Passmore states that he is the President of Passmore Management Inc. (the “company”) and that he has held this position since April 1986. He states that the facts contained in his affidavit are either known to him personally or were obtained from company records.

[9] Mr. Passmore begins by explaining that the company’s principle business is the provision of business services to business owners, corporations, associations and health-care professionals. He states that since November 6, 2004, the company has used the Marks in Canada in association with the services set forth in the registration, with the exception of “promoting goods and services in the area of negotiation, dispute resolution, conflict management and consensus building by preparing and placing advertisements in an electronic magazine accessed through a global computer network”.

[10] Mr. Passmore explains that the company advertises its services and secures clients by various means, including advertising its services through print publications such as direct mail letters, promotional emails and written sales proposals, and distributing printed educational and learning materials and computer software as marketing material to potential clients. Mr. Passmore also explains that some clients are referred by word-of-mouth, and that others learn of the company’s services through company employees’ volunteer work on community boards, not-

for-profit associations and guest lecturing at the University of Western Ontario's Richard D. Ivey School of Business in London, Ontario.

[11] The affidavit states that the company performs its services by means of written client reports and presentations, as well as direct educational services. Mr. Passmore further states that the company also provides information services directly to clients and prospective clients by means of electronic retailing.

[12] In support of his description of how the company advertised and performed its services during the relevant period in association with the Marks, representative materials used by the company in such advertising and performance of the services are attached to the affidavit, as Exhibits A through F1. These exhibits consist of the following: copies of educational and learning materials, including a "NEGOTIATION COACH® APPROACH" graphic and a diagnostic checklist for a negotiation (Exhibits A1-A8); a sample letter directed to Family Health Teams in Ontario and a direct mail and email list of clients to whom the letter was sent (Exhibits B1-B3); a sample written sales proposal (Exhibit C); written client reports, including a physician recruitment work plan, a negotiation work plan, and mind maps from a partnership dissolution negotiation and a lease negotiation (Exhibits D1 through D7); a seminar outline entitled "NEGOTIATING YOUR PATIENTS FROM OHIP (A NEGOTIATION COACH® SEMINAR) SEPTEMBER 14 and 15, 2005" and a Canadian mailing list (Exhibits E1 and E2); and a list of "BOOKS RECOMMENDED BY NEGOTIATION COACH®" (Exhibit F1), as an example of the company's provision of information services to clients and prospective clients by electronic retailing.

The Services

[13] Concerning the services "provision of coaching and consulting services including diagnostic analysis services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology, negotiation process design, dispute resolution and consensus building; consulting services, namely, advising as to the strategies, procedures, and techniques for negotiating; consulting services, namely, providing the services of an individual experienced in negotiations; educational services, namely, conducting courses, seminars, speaking engagement services, lectures, and providing counselling and tutoring, all of which

relate to negotiation, dispute resolution, conflict management and consensus building; and information services, namely, on negotiation, dispute resolution, conflict management and consensus building provided by electronic means”, I find that the registrant has established use of the Marks in Canada during the relevant period in association with these services, with the exception of conducting courses, speaking engagement services and lectures, and providing counselling and tutoring, for which my reasons for not finding use are set out below.

[14] I find certain exhibits to be particularly relevant in demonstrating use of these services in Canada during the relevant period. Mr. Passmore explains that Exhibit D2 is an example of a written client report that the company provided to clients as part of its services. The exhibit shows a physician recruitment work plan, dated July 2005, prepared by Passmore Management Inc. for a client whose name is redacted. It shows that Passmore Management Inc. was offering to assist the client in contract negotiations with physicians, including the “preparation of working documents to be used in the negotiations”, the “preparation of NEGOTIATION COACH® consulting and information services including... negotiation strategy and direct negotiations with the physician”, and the provision of advice and mentoring of a recruitment team on sourcing, contracting, qualifying, negotiations and signing candidates. The report sets out specific projects, objectives, descriptions of work and deliverables, such as weekly reports, a manual, special handouts, instructions, etc., which allow me to infer that Passmore Management Inc. was prepared to perform these services.

[15] This exhibit, which clearly bears both Marks, demonstrates that during the relevant period the company offered and was prepared to perform coaching and consulting services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology and negotiation process design. It also shows that the company offered and was prepared to perform consulting services, namely, advising as to the strategies, procedures, and techniques for negotiating. Furthermore, as I find it reasonable to infer that the services described in Exhibit D2 would be provided by individuals experienced in negotiation, this exhibit also demonstrates that the company offered and was prepared to perform consulting services, namely providing the services of an individual experienced in negotiations.

[16] Exhibit D5 is another example of a written client report that the company provided to clients as part of its services. It sets out a list of key tasks, including “Commence Negotiations”, “Review status of and key issues in negotiations” and “Conduct Negotiations”, and deadlines for completion within the relevant period. Exhibit D7 is a “mind map”, prepared by the company, outlining tasks related to a lease negotiation. Both display the Marks and bear dates which allow me to infer that they were provided to clients during the relevant period. As such, each provide further support for my finding that during the relevant period, the company offered and was prepared to perform coaching and consulting services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology and negotiation process design, and consulting services, namely advising as to the strategies, procedures, and techniques for negotiating.

[17] Attached as Exhibit E1 is a description of a NEGOTIATION COACH seminar, dated September 14 and 15, 2005 (during the relevant period), called “NEGOTIATING YOUR PATIENTS FROM OHIP”, which Mr. Passmore explains was used by the company in the provision of services to clients. This document, which clearly bears the NEGOTIATION COACH Marks, states that the seminar would cover topics including “Key Negotiation Strategies to Retain Patients” and “Developing Your Negotiation Plan”. It appears from this document that the company was also offering information and advice on conflict management, as other topics include “How to Handle Extra Work” and “Who Will Do All This Extra Work”, as well as on consensus building, based on the topic entitled “Getting Patient Commitment”. The document also suggests that the company offered coaching, consulting and educational services related to dispute resolution, as a number of topics related to the theme of educating clients on collecting outstanding balances from patients are included, such as “How to Come Right Out and Ask for Money - Staff/Owner”, “Why Collecting Can Fail”, and “Should You Use a Collection Agency”, all of which teach how to be proactive in resolving payment disputes with patients.

[18] As such, this exhibit shows that during the relevant period, the company offered and was prepared to perform coaching and consulting services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology, negotiation process design, dispute resolution and consensus building; consulting services, namely, advising as to the strategies, procedures, and techniques for negotiating; and educational services, namely,

conducting seminars which relate to negotiation, dispute resolution, conflict management and consensus building. Furthermore, because it appears that the seminar outline in Exhibit E1 was provided to a list of clients (as provided in Exhibit E2) by email, I am prepared to find that the company provided information services, namely on negotiation, dispute resolution, conflict management and consensus building by electronic means, during the relevant period.

[19] I am also satisfied that all of the services which the company offered and was prepared to perform, or did in fact perform, during the relevant period were offered or performed in Canada. In the written sales proposal from the company attached as Exhibit C, a list of clients that the company has worked for is included. This “Who We’ve Worked For” list contains numerous Canadian clients, including Ontario communities, the British Columbia Medical Association, the Ontario Medical Association, the Toronto-Sunnybrook Regional Cancer Centre, the Ontario Ministry of Health and the Workers Compensation Board of British Columbia. This demonstrates that the company’s services were provided extensively in Canada. I also note that the mailing list provided in Exhibit E2 of the entities to which the seminar in Exhibit E1 was sent includes numerous addresses in Ontario, as does the mailing list of Family Health Teams set out in Exhibit B2. In addition, further support for my conclusion is found in the title of the seminar attached as Exhibit E1, “NEGOTIATING YOUR PATIENTS FROM OHIP”, which clearly refers to the Ontario Health Insurance Plan (OHIP). This shows that the seminar was specifically designed for delivery in Ontario.

[20] Concerning the services “provision of coaching and consulting services including diagnostic analysis services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology, negotiation process design, dispute resolution and consensus building”, due to the presence of the word “including”, I do not consider it necessary for the registrant to show use of the Marks with “diagnostic analysis services”. Rather, the registrant’s evidence related to coaching and consulting services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology, negotiation process design, dispute resolution and consensus building is sufficient.

[21] In sum, based on the evidence as a whole, and in particular the exhibits to Mr. Passmore’s affidavit described above, I find that the company offered and was prepared to

perform, or in fact performed, the following registered services in Canada during the relevant period in association with the Marks: “provision of coaching and consulting services including diagnostic analysis services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology, negotiation process design, dispute resolution and consensus building; consulting services, namely, advising as to the strategies, procedures, and techniques for negotiating; consulting services, namely, providing the services of an individual experienced in negotiations; educational services, namely, conducting [...] seminars [...] which relate to negotiation, dispute resolution, conflict management, and consensus building; and information services, namely on negotiation, dispute resolution, conflict management and consensus building provided by electronic means”.

[22] As it is not essential that the registrant provide evidence of the actual performance of the services, so long as it was in a position to perform them, the fact that some of the services were offered to prospective clients in Canada and were available to be performed in Canada satisfies the requirements of s. 4(2) of the Act [*Wenward (Canada) Ltd. v. Dynaturf Co.* (1976), 28 C.P.R. (2d) 20 (T.M.O.B.)]. Accordingly, I find that the registrant has established use in association with all of these services.

[23] However, I am not satisfied that the registrant has established use in association with the conducting of courses, speaking engagement services and lectures, as there is no evidence that it offered or performed such services distinct from seminars in Canada during the relevant period. Further, without additional details in the evidence, I am unable to conclude that the registrant offered or provided counselling and tutoring relating to negotiation, dispute resolution, conflict management and consensus building during the relevant period.

[24] Furthermore, having considered the evidence in its entirety, I also find that there is no evidence of use of the Marks in accordance with s. 4(2) with any of the following registered services during the relevant period: “promoting goods and services in the area of negotiation, dispute resolution, conflict management and consensus building by preparing and placing advertisements in an electronic magazine accessed through a global computer network; electronic mail services; electronic payment, namely electronic processing and transmission of bill payment data; electronic transmission of messages and data; electronic retailing services, via

computer featuring books, CD-ROM's, seminars, conferences in the areas of negotiation, conflict management and consensus building”.

[25] With regard to the services “electronic transmission of messages and data”, the evidence only shows that the company made use of emails to promote its consulting services (Exhibit B1) and seminars (Exhibit E1); however, it does not show that the registrant has advertised electronic transmission of services and data under the Marks, nor does it show that the registrant has provided such services to anyone in Canada. Consequently, I cannot find use of the Marks in association with the services “electronic transmission of messages and data”.

[26] Regarding the services “electronic mail services” and “electronic payment, namely electronic processing and transmission of bill payment data”, I find that the registrant has merely made bare assertions of use, without providing any documentary support thereof.

[27] Concerning the services “electronic retailing services, via computer featuring books, CD-ROM's, seminars, conferences in the areas of negotiation, conflict management and consensus building”, although I accept that the company sent emails to clients concerning books and seminars in the areas of negotiation, conflict management and consensus building (Exhibits E1 and F1), I am not satisfied that the evidence shows that the registrant provided any electronic *retailing* services, as there is no evidence that the registrant was offering for sale or selling the books or seminars in Canada by electronic means during the relevant period.

Special Circumstances

[28] Concerning the services “promoting goods and services in the area of negotiation, dispute resolution, conflict management and consensus building by preparing and placing advertisements in an electronic magazine accessed through a global computer network”, Mr. Passmore states that the Marks were last in use in association with these services in 2003, due to limitations imposed on him due to illness. He states that he intends to resume use as soon as his health improves, and no later than November 2008. He provides in Exhibits H1 and H2 copies of letters from his physician dated May 29, 2006 and June 12, 2007, which explain that Mr. Passmore became seriously ill in June 2001 and that as of June 12, 2007, he continued to be work disabled.

[29] Three criteria must be considered when assessing whether or not there are circumstances that would excuse non-use. Hearing Officer Barnett summarized the approach as follows in *Bereskin & Parr v. Bartlett* (2008), 70 C.P.R. (4th) 469 (T.M.O.B.):

A determination of whether there are special circumstances excusing non-use involves the consideration of three criteria. The first is the length of time during which the mark has not been in use. The second is whether the reasons for non-use were beyond the control of the registered owner and the third is whether there exists a serious intention to shortly resume use: *Canada (Registrar of Trade Marks) v. Harris Knitting Mills Ltd.* (1985), 4 C.P.R. (3d) 488 (F.C.A.). "Special circumstances" with respect to the second criteria, that is, whether non-use of the mark was due to circumstances beyond the owner's control, mean "circumstances that are unusual, uncommon or exceptional" (*John Labatt Ltd. v. Cotton Club Bottling Co.* (1976), 25 C.P.R. (2d) 115 (F.C.T.D.)).

The Federal Court of Appeal in the recent decision, *Scott Paper Ltd. v. Smart & Biggar*, 2008 FCA 129 (F.C.A.), has offered further clarification with respect to the interpretation of the special circumstances criterion in *Harris Knitting* supra. Based on an analysis of *Harris Knitting Mills*, the Court determined that the proper test when assessing whether there are special circumstances, which would excuse non-use of a mark, must refer to the cause of the absence of use, and not to some other consideration. It would appear from this analysis, that the second criterion of the *Harris Knitting Mills* test must be satisfied in order for there to be a finding of special circumstances excusing non-use of a mark. However, as I understand it, this is not to say that the other two criteria are not relevant factors to consider, but just that those factors, in isolation, cannot constitute special circumstances. In any event, the intent to resume use must be substantiated by the evidence (*Arrowhead Spring Water Ltd. v. Arrowhead Water Corp.* (1993), 47 C.P.R. (3d) 217 (F.C.T.D.); *NTD Apparel Inc. v. Ryan* (2003), 27 C.P.R. (4th) 73 (F.C.T.D.)).

[30] In the present case, there appears to have been a period of non-use of nearly 5 years (2003 to the date of Mr. Passmore's affidavit, February 4, 2008). The reason adduced for the lack of use with these services is Mr. Passmore's illness. Although I sympathize with Mr. Passmore's condition, and there is some case law where it has been held that the illness of a key employee of a company over a certain period of time may constitute special circumstances justifying non-use, such as in the case of a small business where the cost of hiring additional personnel could reasonably be viewed to be a cost prohibitive alternative (see *Bereskin & Parr v. Bartlett*, supra), I find that the evidence before me is insufficient to explain how the absence of use with these particular services (and not others) was beyond the registrant's control. For example, it is not explained whether or not Mr. Passmore was the only person at the company

qualified to provide the particular services for which special circumstances are being claimed. It also raises questions as to why some services appear to have been offered and provided and these were not.

[31] Given my finding that the registrant has not shown that the absence of use was beyond its control, I need not determine whether the registrant has shown a serious intention to resume use, as the intent to resume use of the mark alone cannot constitute special circumstances in accordance with *Scott Paper*, supra.

[32] Consequently, based on the evidence furnished, I conclude that use of the registered services “promoting goods and services in the area of negotiation, dispute resolution, conflict management and consensus building by preparing and placing advertisements in an electronic magazine accessed through a global computer network” has not been demonstrated in association with the Marks during the relevant period, and further that the evidence does not permit me to conclude that the absence of such use has been due to special circumstances excusing the lack of use. Accordingly, I conclude that these services will be deleted from the registration.

[33] Furthermore, as no special circumstances have been advanced to excuse the lack of use of the other services for which I have not found that there was use during the relevant period, these services will also be deleted from the registration.

The Wares

[34] Concerning the registered wares, Mr. Passmore does not claim that the registrant has used the Marks in association with any of the wares listed in the registration. Moreover, the evidence does not show any sales or transfers of the wares having been made in the normal course of trade to customers in Canada. Rather, the evidence indicates that the registrant used the educational and learning materials and computer software for the sole purpose of marketing its services. Consequently, the wares will be deleted from the registration.

Disposition

[35] In view of the foregoing, and pursuant to the authority delegated to me under s. 63(3) of the Act, registration Nos. TMA527,862 and TMA528,198 will be maintained in respect of:

“provision of coaching and consulting services including diagnostic analysis services related to the ability of organizations and individuals to deal with negotiation issues, negotiation methodology, negotiation process design, dispute resolution and consensus building; consulting services, namely, advising as to the strategies, procedures, and techniques for negotiating; consulting services, namely, providing the services of an individual experienced in negotiations; educational services, namely, conducting [...] seminars [...] which relate to negotiation, dispute resolution, conflict management and consensus building; and information services, namely on negotiation, dispute resolution, conflict management and consensus building provided by electronic means” and amended to delete:

Wares:

- (1) Printed educational materials and learning materials, namely, client reports, workbooks, teaching materials namely charts and overhead transparencies; forms both on paper and on diskettes, namely designed to assist in coaching, training, project planning and personal planning in the fields of negotiation, conflict management and dispute resolution.
- (2) Computer programs for use in database management, spreadsheet analysis and word processing with the function offering a systematic approach of preparing, planning, executing and implementing negotiations and dispute resolutions and for use in the field of negotiation and dispute resolution consulting.

Services:

- (2) [...] courses, [...] speaking engagement services, lectures, and providing counselling and tutoring, all of [...].
- (3) [...] and promoting goods and services in the area of negotiation, dispute resolution, conflict management and consensus building by preparing and placing advertisements in an electronic magazine accessed through a global computer network; electronic mail services; electronic payment, namely electronic processing and transmission of bill payment data; electronic transmission of messages and data; electronic retailing services, via computer featuring books, CD-ROM's, seminars, conferences in the areas of negotiation, conflict management and consensus building.

in compliance with the provisions of s. 45 of the Act.

Ronnie Shore
Hearing Officer, Trade-marks Opposition Board
Canadian Intellectual Property Office