

SECTION 45 PROCEEDINGS
TRADE-MARK: CAN-D-MAN & Design
REGISTRATION NO.: TMA344,480

On September 28, 2005, at the request of Riches, McKenzie & Herbert LLP, the Registrar issued the notice prescribed by section 45 of the *Trade-marks Act*, R.S.C. 1985, c. T-13 (the “Act”) to Scott-Bathgate Ltd., the registered owner of registration No. TMA344,480 for the trade-mark CAN-D-MAN & Design.

The trade-mark is shown below:



CAN-D-MAN & Design is registered in association with “nuts, candies, popcorn, popping corn, sunflower seeds, food coloring, cake decorations, balloons, pumpkin seeds, candles, and carmel corn” (the “WARES”).

Section 45 requires the registered owner of a trade-mark to indicate whether the mark has been used in Canada in association with each of the wares and services listed in the registration at any time during the three years preceding the date of the notice and, if not, the date on which it was last used and the reason why it has not been used since that date. If such use is not shown, then the matter to be decided is whether the registrant’s failure to use its mark was justified by special circumstances.

The relevant period in this case is any time between September 28, 2002 and September 28, 2005.

What qualifies as use of a trade-mark is defined in s. 4 of the Act, which is reproduced below:

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.

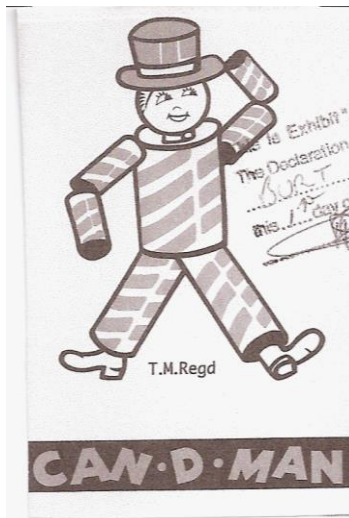
(3) A trade-mark that is marked in Canada on wares or on the packages in which they are contained is, when the wares are exported from Canada, deemed to be used in Canada in association with those wares.

In response to the s. 45 notice, the registered owner filed the affidavit of its President, James Burt. Each party filed a written argument. An oral hearing was not requested.

Mr. Burt has attested that the registrant sold each of the Wares in Canada during the relevant three-year period and provides packaging and invoices in support.

Packaging showing the mark as registered has been provided for the following wares: nuts (Exhibit "A"), candies (Exhibit "B"), food coloring (Exhibit "E"), cake decorations (Exhibit "F"), balloons (Exhibit "G"), and caramel/carmel corn (Exhibit "J"). In addition, invoices during the relevant time period have been provided that list each of the aforementioned wares. Accordingly, I am satisfied that such wares should be maintained in the registration.

Regarding candles, I note that the packaging provided for such wares in Exhibit "H" does display both the man design and the word CAN-D-MAN, as shown below:



Although this packaging does not show the mark exactly as registered, I find that the differences between the mark as used in association with candles, and the mark as registered, are not significant, as the two key features of the registered mark (the man design and the word CAN-D-MAN) have been maintained. Even their spatial relationship one to the other has been maintained and the enclosure of the word in a rectangle does not detract from the conclusion that the registered mark has been used. [See *Nightingale Interloc Ltd. v. Prodesign Ltd.*, 2 C.P.R. (3d) 535.] Mr. Burt has also provided an invoice concerning the sale of candles during the relevant time period. I therefore conclude that candles should be maintained in the registration.

Regarding the remaining wares, the requesting party has submitted that the packaging provided does not display the mark as registered. I agree that the packaging provided for popcorn (Exhibit “C”), sunflower seeds (Exhibit “D”), and pumpkin seeds (Exhibit “I”) do not show the mark as registered in that they do not display the word CAN-D-MAN, but simply display the depiction of a man made out of candy. As the word CAN-D-MAN is a significant feature of the mark as registered, its absence means that the registered mark has not been used on such packaging.

The registrant has however argued that the mark has also been used in association with such wares through its display on its invoices, which Mr. Burt has attested accompany the wares. Not

surprisingly, the CAN-D-MAN & Design mark does not appear in the body of the invoices; instead it appears in the upper left hand corner. The question therefore becomes whether this qualifies as another manner by which the mark is so associated with the wares that notice of the association is then given to the person to whom the property or possession of the wares is transferred.

In the as yet unreported May 31, 2007 decision concerning s. 45 proceedings with respect to registration Nos. 443,918 and 535,126 for the trade-mark SEANIX, Senior Hearing Officer Savard considered the appearance of a trade-mark at the top of invoices as follows:

Concerning the trade-mark as it appears on the invoices, as stated in *Tint King of California Inc. v. RTM*, 2006 FC 1440, the use of a trade-mark on an invoice may or may not be considered use in association with wares described in the invoice. In *Tint King of California* at paragraph 32 it was held that “The major consideration is whether the trade-mark is being used as a trade-mark in describing the wares contained in the invoice and, as such, whether appropriate notice of such use is being given to the transferee of the wares”.

Where the trade-mark appears in the body of the invoice, generally it will be accepted that the trade-mark is being used as a trade-mark in describing the wares. However, when a trade-mark is placed at the top of an invoice, with no use in the body of the invoice, the use will not generally be considered use as a trade-mark in association with the invoiced wares. In the case *Goudreau Gage Dubuc & Martineau, Walker v. Niagara Mist Marketing Ltd.*, 78 C.P.R. (3d) 255, and the case *Gowling Lafleur Henderson LLP v. Bulova Watch Co.*, 51 C.P.R. (4th) 470) where the trade-mark appearing at the top of the invoices was considered to be use complying with the requirements of s-s. 4(1) of the Act, it seems the evidence did not show any trade-mark associated with the wares in question, that is, either on the wares or their packaging or in the body of the invoices.

Here, what the evidence shows is that some of the products the registrant sells bear the trade-mark or the trade-mark appears on the packaging for such wares. Further, some products are described as “SEANIX” items in the body of the invoices. However, there are other products listed in the invoices which are associated with other trade-marks and other products which are not identified by any trade-mark. Consequently, as it appears the registrant sells wares associated with the trade-mark as well as wares associated with other trade-mark, I cannot conclude that the use of the trade-mark at the top of the invoices would be perceived as use of the trade-mark in describing the wares. Rather, I believe that most likely the trade-mark at the top of the invoices would be associated with the wholesale or retail outlets of the registrant, in which case it is more likely proof of use in association with the services. Consequently, in this case, the appearance of the trade-mark at the top of the invoices is not acceptable evidence of use in association with

the wares.

I also note that in *Shapiro Cohen v. Norton Villiers Ltd.* (2001), 16 C.P.R. (4th) 573 (T.M.O.B.), Senior Hearing Officer Savard held that the appearance of a number of design marks at the top of an invoice did not so associate any of those marks with any particular item as to provide the required association between the mark and any particular ware sold. However, in *Messrs. Stewart McKelvey Stirling Scales v. Peninsula Farm Ltd.*, 2006 CarswellNat 4228 (T.M.O.B.), a registration was maintained under s. 45 where the mark appeared at the top of the invoice but the registrant was the manufacturer of the wares and no other trade-marks appeared in the body of the invoices.

Having considered all of the above case law, I find that the appearance of the registrant's mark on its invoices does not satisfy the requirements of s. 4 in regards to its wares. The display of the mark at the top of the invoices does not so associate the registered mark with any particular ware as to provide the required association, especially given that other trade-marks are associated with some of the wares in the bodies of the registrant's invoices.

In view of the foregoing reasons, the statement of wares in registration No. TMA344,480 will be restricted in accordance with the provisions of s. 45(5) of the Act to read as follows:

nuts, candies, food coloring, cake decorations, balloons, candles, and carmel corn.

DATED AT TORONTO, ONTARIO THIS 9th DAY OF NOVEMBER 2007.

Jill W. Bradbury
Member
Trade-marks Opposition Board