



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

**Citation: 2014 TMOB 179
Date of Decision: 2014-08-27**

**IN THE MATTER OF A SECTION 45 PROCEEDING
requested by StarragHeckert GmbH against registration
No. TMA619,534 for the trade-mark WMW & Design in
the name of World, LLC**

[1] At the request of StarragHeckert GmbH (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 March 13, 2012 to World, LLC (the Owner), the registered owner of registration No. TMA619,534 for the trade-mark WMW & Design (the Mark), shown below:



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

Metalworking machine tools, namely, lathes, grinding machines, gear cutting machines, milling machines, drilling and boring machines, machining centers, flexible manufacturing cells for metalworking; and parts thereof, namely, tool holders, workholding fixtures, tool and work magazines, tool and work changing facilities, tool parts for lathes, milling machines, and drilling and boring machines.

[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 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.

[4] In this case, the relevant period for showing use is between March 13, 2009 and March 13, 2012 and 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 Registrar’s notice, the Owner furnished the affidavit of Cornel Circiumaru, President of the Owner, sworn on October 11, 2012 in New York. Both parties filed written representations and were represented at an oral hearing.

Evidence of use

[6] In his affidavit, Mr. Circiumaru attests that the Owner operates under the name WMW Machinery Company, which sells its industrial products bearing the Mark to manufacturers rather than to end consumers. He attests that the Owner’s metalworking machines are “generally multi-purpose and can fulfill a number of functions, including milling, drilling, boring and with appropriate components grinding and gear cutting”. Similarly, he attests that the Owner’s parts are “suitable for use” with more than one type of metalworking machine tool. He explains that its machine tool parts wares are shipped from New York to its customers in Canada and that its machine tool wares are shipped “most of the time” from the European factory of the Owner’s business partner directly to a Canadian port and from the port to the Canadian customers’ facility.

[7] Mr. Circiumaru attaches a table at Exhibit E to his affidavit, which he explains is a summary of the evidence provided by the Owner. In the table, he identifies the particular registered ware, along with the relevant corresponding photograph (Exhibits F to J), invoice (Exhibits K and L) and shipping waybill (Exhibit M), as described below. He attests that, during the relevant period, the Owner sold over \$50,000 of metalworking machine tool parts in Canada and over \$10,000 of services related to metalworking machine tools and parts.

[8] In support, Mr. Circiumaru attaches the following exhibits to his affidavit:

- Exhibit F consists of photographs of a milling machine that Mr. Circiumaru attests was sold by the Owner in November 2010 to a Canadian manufacturer of industrial and commercial machinery. He attests that the “photographs serve to illustrate how the trademark is used directly on a metalworking machine tool ware”. He provides evidence of payment, which he explains was made in two instalments, totalling over \$100,000, at Exhibit K. The second payment appears to have been made on November 24, 2011 by an entity located in Ontario. Although payment was made from a Canadian address, Mr. Circiumaru notably provides no evidence as to where the machine was shipped, in contrast to the evidence with respect to the tool parts wares described below.
- Exhibits G, H, I and J consist of photographs of the packaging of various tool parts shipped to customers. As identified in Exhibit E of the affidavit, these products correspond to the latter portion of the statement of wares, being: “...parts thereof, namely, tool holders, workholding fixtures, tool and work magazines, tool and work changing facilities, tool parts for lathes, milling machines, and drilling and boring machines”. The Mark appears prominently on the packaging.
- Exhibit L consists of over two dozen partially redacted invoices relating to the sale and shipment of the tool parts identified in the table in Exhibit E and pictured in Exhibits G through J. I confirm that the invoices show sales of various tool parts to customers with Canadian addresses during the relevant period, corresponding to the “parts thereof” portion of the statement of wares as attested to by Mr. Circiumaru.
- Exhibit M consists of several partially redacted waybills from the relevant period showing shipment to Canada of the parts identified in the table in Exhibit E, pictured in Exhibits G through J and invoiced in Exhibit L.

[9] In view of the evidence submitted, I am satisfied that the Owner has demonstrated use of the Mark in association with the second portion of the statement of wares, being the “parts” of the metalworking machine tools identified in the statement of wares.

[10] With respect to the first portion of the statement, being the metalworking machine tools themselves, it is well established that mere assertions of use are not sufficient to demonstrate use

in the context of section 45 proceedings [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. Although evidentiary overkill is not required [*Union Electric Supply Co Ltd 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 specified in the registration during the relevant period.

[11] In this case, the Owner has furnished evidence of only one sale of a metalworking machine tool, identifying it as a “milling machine”. 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 [*Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD)]. However, in *Guido Berlucci & C Srl v Brouillette Kosie* (2007), 56 CPR (4th) 401 (FC), the Federal Court stated the following at paragraph 20:

...if a registered 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.

[12] Applied to this case, Mr. Circiumaru notably states that “most of the time” its metalworking machines are shipped from its European manufacturer to Canada. However, nothing in his affidavit makes it clear that the milling machine evidenced in this case was actually shipped to Canada. Indeed, although the Owner provides evidence of shipment with respect to its various machine tool parts (at Exhibit M), it provides neither such evidence nor even an assertion with respect to the milling machine. While payment for the machine may have come from a Canadian address, shipment of the machine from Europe to a facility owned by a Canadian company but not located in Canada would not constitute a transfer in Canada within the meaning of the Act. It should have been a simple matter for the Owner to state or otherwise provide evidence that the machine was, in fact, shipped to Canada; per *Plough, supra*, this ambiguity must be resolved against the Owner.

[13] In view of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark in association with “metalworking machine tools” within the meaning of sections 4 and 45 of the Act.

Special Circumstances

[14] In the absence of a finding of use with respect to “metalworking machine tools”, the Owner submits that there were special circumstances excusing non-use. Generally, a determination of whether there are special circumstances involves consideration of three criteria: the first is the length of time during which the trade-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 [per *Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)].

[15] The Federal Court of Appeal offered further clarification with respect to the interpretation of the second criterion, with the determination that this aspect *must* be satisfied in order for there to be a finding of special circumstances excusing non-use of a trade-mark [*Smart & Biggar v Scott Paper Ltd* (2008), 65 CPR (4th) 303 (FCA)]. In other words, the other two factors are relevant but, considered by themselves in isolation, they cannot constitute special circumstances. Lastly, the intent to resume use must be substantiated by the evidence [see *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD); *NTD Apparel Inc v Ryan* (2003), 27 CPR (4th) 73 (FCTD)].

Length of time of non-use

[16] Generally, as in this case, where a date of last use is not provided, the Registrar considers the date of registration as the relevant date for purposes of assessing the length of non-use [see *Clark, Woods v Canaglobe International Inc* (1992), 47 CPR (3d) 122 (TMOB); *Oyen Wiggs Green & Mutala LLP v Rath* (2010), 82 CPR (4th) 77 (TMOB)]. Here, the Mark was registered on September 15, 2004, whereas the section 45 notice was issued on March 13, 2012, amounting to over seven years of non-use after the date of registration.

Reasons for non-use

[17] With respect to the question of whether the reasons for non-use were beyond the control of the Owner, Mr. Circiumaru attests that the metalworking machine tools manufactured and sold by the Owner are “expensive, specialized industrial machines that have an operative life of

decades”. He explains that for many of the Owner’s customers and potential customers, “the purchase of a new industrial metalworking machine is a significant, but (given the operative life of these machines) infrequent, expense.” He provides evidence of two sales to customers in the United States (at Exhibit N) and states that the Owner provided quotes for its metalworking machine tools to Canadian customers during the relevant period, providing examples of such at Exhibits O, P and Q.

[18] However, I note that poor or unfavourable market conditions are generally not considered special circumstances excusing non-use [see *Harris Knitting, supra*; *Rogers, Bereskin & Parr v Registrar of Trade-marks* (1987), 17 CPR (3d) 197 (FCTD); *Lander Co Canada Ltd v Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD)]. Similarly, in cases where the registered owner had no intent to abandon their trade-mark in Canada, but lacked any orders from Canadian customers during the relevant period, this was not in itself sufficient to maintain the registration [see *Garrett v Langguth Cosmetic GMBH* (1991), 39 CPR (3d) 572 (TMOB)].

[19] I appreciate that the Owner’s metalworking machine tools are “infrequent” and “expensive” purchases. However, in the absence of evidence of *any* sales in Canada before or during the relevant period, it is difficult to conclude that such lack of sales was in fact beyond the Owner’s control, rather than a result of, for example, a voluntary decision to prioritize other markets before Canada.

Serious intention to resume use

[20] Similarly, with respect to the third criterion, one is left in the dark regarding how long the duration of non-use will persist. Mr. Circumaru states that “at all times” during the relevant period, the Owner “was able to satisfy orders by Canadian customers for metalworking machine tools”. However, as no evidence of prior sales was provided, it is not possible to infer when future sales in Canada may occur. Nothing in the evidence suggests any particular change in effort on the part of the Owner towards resuming use of the Mark shortly.

[21] In view of all of the foregoing, I am not satisfied that the Owner has demonstrated special circumstances excusing non-use of the Mark during the relevant period with respect “metalworking machine tools”.

Disposition

[22] Unfortunately, given the phrasing of the statement of wares as registered, it is not possible to simply delete the first portion of the wares, being the “metalworking machine tools” themselves, without rendering the remainder of the statement of wares incoherent. In this respect, while it is necessary to delete the first portion of the statement, it is necessary to expand the “parts thereof” portion to retain reference to such machines in order to properly limit the scope of the registration to the particular tool parts for the particular metalworking machine tools as originally registered.

[23] This is not a case where the Registrar is being asked to exceed its authority in a section 45 proceeding by restricting a registration despite use having been shown in association with the registered wares [see *Shapiro Cohen v Trapeze Software Inc* (2000), 8 CPR (4th) 409 (TMOB)]. Here, given the findings above, the parties are in apparent agreement that an amendment of the sort contemplated here is necessary to neither unduly restrict nor unduly broaden the statement of wares in light of the evidence furnished.

[24] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act and in accordance with section 45 of the Act, the registration will be amended to the following:

Parts (of metalworking machine tools, namely, lathes, grinding machines, gear cutting machines, milling machines, drilling and boring machines, machining centers, and flexible manufacturing cells for metalworking), namely tool holders, workholding fixtures, tool and work magazines, tool and work changing facilities, tool parts for lathes, milling machines, and drilling and boring machines.

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