



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

Citation: 2016 TMOB 198
Date of Decision: 2016-12-28

IN THE MATTER OF A SECTION 45 PROCEEDING

Sim & McBurney

Requesting Party

and

Arch Chemicals, Inc.

Registered Owner

TMA272,034 for POOL CARE

Registration

[1] At the request of Sim & McBurney (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 December 8, 2014, to Arch Chemicals, Inc. (the Owner), the registered owner of registration No. TMA272,034 for the trade-mark POOL CARE (the Mark).

[2] The Mark is registered for use in association with the following goods: “Swimming pool chemicals, namely algecides, chlorines, chemicals to adjust PH level of water, pool liner cleaners, water stabilizers and water softeners.”

[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 goods 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 the trade-mark was last used and the reason for the absence of such use since that date. In this case, the relevant period for showing use is between December 8, 2011 and December 8, 2014.

[4] The relevant definition of “use” in association with goods is set out in section 4(1) of the Act as follows:

4(1) A trade-mark is deemed to be used in association with goods if, at the time of the transfer of the property in or possession of the goods, in the normal course of trade, it is marked on the goods themselves or on the packages in which they are distributed or it is in any other manner so associated with the goods that notice of the association is then given to the person to whom the property or possession is transferred.

[5] 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 the threshold for establishing use is quite low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)], and 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 goods specified in the registration during the relevant period [*John Labatt Ltd v Rainer Brewing Co et al* (1984), 80 CPR (2d) 228 (FCA)].

[6] In response to the Registrar’s notice, the Owner furnished the affidavit of Sandhya Kowdley, sworn on March 16, 2015. Only the Owner filed written representations, but both parties were represented at an oral hearing held on August 24, 2016.

Evidence

[7] In her affidavit, Ms. Kowdley identifies herself as the “Global Trademark Advisor” of the Owner. She asserts that the Owner advertised and sold the registered goods in Canada during the relevant period through its distributor, Arch Chemicals Canada, Inc. (Arch Canada). She attests that the Mark was displayed on the goods at all times, including the time of sale.

[8] In support of her assertion of use, Ms. Kowdley attaches the following exhibits to her affidavit:

- Exhibit A consists of four documents, which Ms. Kowdley attests are “brochures and advertisements” that were distributed to the Owner’s customers during the relevant period. The first document is a photograph of three “Consumer Information Guide”

booklets for “Pool & Spa Chemicals”, showing the cover and four pages of the booklets. In addition to the ARCH logo at the top left hand corner of the cover, three trade-marks are shown underneath the “Pool & Spa Chemicals” subtitle, namely logos for HTH, SOCK IT and POOL CARE. The first page provides Arch Canada’s name and address, along with a 2009 copyright notice. The remaining three pages advertise specific products, including “HTH Granular Chlorine” and “POOL CARE Stabilizer & Conditioner”.

- The second document in Exhibit A is a photograph of a poster titled “**Attention Customers** Pool Chemicals Now Located in the Toy Department”. The poster depicts over 20 containers, some of which display the Mark, while others display the HTH or SOCK IT logos. Otherwise, the text on the containers is mostly illegible and Ms. Kowdley does not specifically identify any of the depicted products.
- The third document in Exhibit A consists of three photographs of an information sheet with the header “HTH POOL CARE Product Information”. The document footer provides Arch Canada’s name and address and indicates, “POOL CARE is a registered trademark of Quatic Consumer Products”. The body of the information sheet contains general instructions for pool maintenance, including a problem solving chart for various problems. Some of the solutions refer to different products, such as “Shock with Pool Bright or Sock It®”, “Use HTH Unstabilized Chlorine” and “Use Super Algae Kill 40%”. Although some product containers displaying the Mark are depicted on the sheet, the text on the depicted containers is illegible.
- The final document in Exhibit A consists of 52 pages from a “Consumer Information Guide” for “Pool & Spa Chemicals”, similar to the first document in Exhibit A, but with a 2005 copyright notice. Each page of the Guide provides information about different POOL CARE, HTH, SOCK IT and SPACARE products. I note that the following products are depicted with the Mark appearing on the containers themselves: “Super Algae Kill 40%”, “Poolcare® Test Kit” (the packages shown are described as containing reagents that test pH), “Liquid Shock” (described as containing chlorine), “Vinyl Liner Cleaner”, “Stabilizer & Conditioner” and “Stain & Scale Prevent” (described as a “water

softener”).

- Exhibit B consists of 14 invoices, dated during the relevant period and addressed to companies in Canada. The invoices are from “Quatic Consumer Products, division of Arch Chemicals Canada, Inc.”, but they indicate that payment should be remitted to the Owner. Many of the invoiced product listings begin with “PCARE”, for example, “PCARE SUPER ALGAE KILL 40%” and “PCARE TEST KIT REFILL 12X1”. Ms. Kowdley explains that “PCARE” is the Owner’s designation for products sold under the Mark. In addition, some of the invoices list a product identified as “CAN HTH SALT POOL CARE SHOC”. I note that, in three of those invoices, the invoice date coincides with the shipping date and the addresses for billing and shipping purposes are identical. Other product listings, such as those for “HTH STABILIZER 6X1KG” and “HTH STAIN & SCALE PREVENT 6”, do not reference the Mark. Finally, I note that some of the invoice entries include the notation “SPECIAL OFFER DISCN” and reflect a 4% price discount, the relevance of which is discussed below.
- Exhibit C consists of two undated photographs depicting product containers on which the Mark is displayed: a bottle labelled “POOL CLEAR” and a bottle labelled “LIQUID CLARIFIER”. Ms. Kowdley identifies this Exhibit as pictures of products “bearing the trade mark POOL CARE”, but does not correlate the depicted products to any particular registered good.
- Exhibit D consists of three spreadsheets, which Ms. Kowdley attests show sales of POOL CARE-branded products in Canada. Indeed, the spreadsheets contain various entries for “PCARE” products sold during the relevant period; however, most of the entries do not correlate with any of the registered goods. For example, the first page for the relevant period lists “OBS-PCARE POOL & SPA THERMOMETER 6X1” and “OBS-PCARE VAC HOSE 1.5INX35FT W/ ADAPT”. Among the entries dated within the relevant period are sales of various products to “Pioneer Pools” on January 3, 2012, including “OBS-PCARE VINYL LINER CLEAN SPRAY 6X1L” and assorted “chlorinators”, for example, “OBS-PCARE CHLORINATOR BEAR 4X1” and “OBS-PCARE DUCK CHLORINATOR 4X1”.

The entries for “VINYL LINER CLEAN SPRAY” indicate a sale to “Pioneer Pools” of 460 units at \$12,558, followed by what appears to be a full refund, followed by a sale of 460 units at \$460. Other January 3, 2012 entries for sales to Pioneer Pools follow a similar purchase and refund pattern; no other spreadsheet or invoice entries show a similar pattern.

Analysis

[9] At the hearing, the Requesting Party submitted that the evidence is insufficient to demonstrate the Owner’s use of the Mark in association with the registered goods. In particular, the Requesting Party contended that the majority of the registered goods are not reflected in the exhibited invoices, spreadsheets or photographs. Indeed, in her affidavit, I note that Ms. Kowdley does not clearly correlate the registered goods with the various products depicted and referenced in the exhibits.

[10] With respect to the exhibited brochures and advertisements, the Requesting Party submitted that they do not constitute evidence of use, as it is not clear that they accompanied any goods at the time of transfer.

[11] Finally, the Requesting Party submitted that any use of the Mark shown in the evidence would be use by Quatic Consumer Products and not use by the Owner.

[12] For its part, the Owner took the position that the evidence demonstrates use of the Mark in Canada by the Owner during the relevant period in association with each of the registered goods. At the hearing, the Owner presented its case for each of the registered goods in turn.

Algecides

[13] With respect to the first registered good, “algecides”, the Owner relies on the exhibited invoices showing sales of “PCARE SUPER ALGAE KILL 40%”. The Mark appears on a bottle of this product, as depicted in the second Consumer Information Guide at Exhibit A. Based on the description in the guide, I accept that this product is an algaecide for use in swimming pools. Indeed, at the hearing, the Requesting Party conceded that “Super Algae Kill 40%” represents the registered good “algecides”.

[14] However, the Requesting Party did not concede that the evidenced sales of algaecide were made by the Owner. Instead, the Requesting Party submitted that the reference to Quatic in the header of the invoices indicates that the sales were made by Quatic. In support, the Requesting Party noted that the information sheet at Exhibit A indicates that Quatic is the entity that owns the Mark.

[15] However, I do not find the ownership statement on the information sheet to be relevant, given that it is undated and inconsistent with the ownership particulars of record. Moreover, the invoice header identifies Quatic as a division of the Owner's distributor, Arch Canada. Therefore, I accept that the invoices represent sales made by the Owner, through its distributor. Indeed, the invoices indicate that payment is to be remitted to the Owner.

[16] With respect to display of the Mark on such goods, Ms. Kowdley attests that the exhibited guides were distributed during the relevant period. Therefore, I accept that the bottle of "Super Algae Kill 40%" depicted in Exhibit A is representative of how the Mark was displayed on such product packaging at the time of sale during the relevant period.

[17] In view of the foregoing, I am satisfied that the Owner has demonstrated use of the Mark in association with "swimming pool chemicals, namely algaecides" within the meaning of sections 4 and 45 of the Act.

Chlorines

[18] With respect to the registered good "chlorines", the Owner first relies on the references to various "chlorinators", such as "OBS-PCARE CHLORINATOR BEAR" and "OBS-PCARE DUCK CHLORINATOR", in the spreadsheets at Exhibit D, to show transfers of "chlorines" during the relevant period. The Owner notes that these spreadsheet entries are prefaced by PCARE, the Owner's designation for POOL CARE-branded products.

[19] However, I am not prepared to conclude that such chlorinators are equivalent to the registered good "swimming pool chemicals, namely ... chlorines". As noted by the Requesting Party, the referenced chlorinators appear, at best, to be devices for releasing chlorine; such devices may be sold empty. Furthermore, Ms. Kowdley does not identify these chlorinators as corresponding with the registered goods. As no chlorinators are depicted or further described in

the exhibits, I am not prepared to accept that sales of such products would constitute transfers of the registered good “chlorines”.

[20] The Owner also relies on the invoice entries for “CAN HTH SALT POOL CARE SHOC”. At the hearing, the Owner submitted that this product was similar to the POOL CARE “Liquid Shock” product depicted in the second Consumer Information Guide at Exhibit A. As noted above, that Guide describes “Liquid Shock” as a product containing chlorine. Accordingly, the Owner submitted that inclusion of the words “POOL CARE” within this invoice entry for a “SHOC” product constitutes display of the Mark in association with chlorines.

[21] In addition, at the oral hearing, the Owner went a step further and suggested that the Mark’s appearance on the cover of the exhibited Consumer Information Guides – as well as in the header of the exhibited product information sheet – would be associated with *any* registered good advertised in the Guides or information sheet. This association, the Owner submitted, would occur regardless of the branding on the individual product.

[22] In this respect, the Owner submitted that consumers would routinely consult the Guide before ordering and would receive the information sheet at the time of purchase. The Owner argued that this exposure to the Mark on the Guide’s cover and in the sheet’s header would create an association with the goods actually ordered and purchased.

[23] First, while the words POOL CARE appear in the invoice entry, it is clear from the evidence as a whole that the POOL CARE “Liquid Shock” product depicted in the Consumer Information Guide is not the invoiced product, “CAN HTH SALT POOL CARE SHOC”. Furthermore, I am not prepared to conclude that this invoiced product would have been labelled in the same manner as the depicted POOL CARE products. Indeed, the Owner was unable to identify any depictions of a “CAN HTH SALT POOL CARE SHOC” product in the exhibits. As well, despite the voluminous evidence furnished, the Owner was unable to identify any evidence of transfers of that depicted POOL CARE “Liquid Shock” product.

[24] With respect to display of “POOL CARE” in the aforementioned invoice entries, such display *may* constitute use within the meaning of section 4(1) of the Act, if the invoice accompanies the goods at the time of transfer and provides notice that the trade-mark is

associated with the goods [see *Gordon A MacEachern Ltd v National Rubber Co Ltd* (1963), 41 CPR 149 (Ex Ct); and *Riches, McKenzie & Herbert v Pepper King Ltd* (2000), 8 CPR (4th) 471 (FCTD)]. However, even if I were to infer from the shipping information on the invoices that they accompanied the goods, I am not satisfied that the invoices provide the required notice of association in this case.

[25] In this respect, in applying the principles set out by the Federal Court of Appeal [*per Canada (Registrar of Trade Marks) v Cie International pour l'informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)], I am not satisfied that the dominant features of the trade-mark as registered have been retained. Although “POOL CARE” appeared in the invoice entry, it is within the text “CAN HTH SALT POOL CARE SHOC”, with no trade-mark indicia and without otherwise being set aside from the surrounding text. As such, I am not satisfied that the invoices constitute display of the Mark as registered.

[26] With respect to display of the POOL CARE logo on the Consumer Information Guides and product information sheet, I first note that it is not clear from the evidence that customers routinely used the exhibited Guides when placing orders, nor is it clear that the information sheet accompanied the goods at the time of transfer. In any event, the real issue is whether display of the Mark on the Guide’s cover and in the sheet’s header is sufficient to provide a notice of association between the Mark and any products described within the Guide or sheet.

[27] In this regard, I note that the covers and header feature the Mark as well as the logos for HTH and SOCK IT; indeed, the Guides provide information about various POOL CARE, HTH, SOCK IT and SPACARE-branded products. Notably, the Owner was unable to identify in the exhibits any products branded with both the Mark and “HTH”.

[28] As such, I agree with the Requesting Party that the mere display of the Mark on the Guide’s cover and in the sheet’s header does not provide the requisite notice of association between the Mark and *any* particular products referenced within the Guide or sheet.

[29] In view of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark in association with the registered good “chlorines” within the meaning of sections 4 and 45

of the Act.

Chemicals to adjust pH level of water

[30] With respect to “chemicals to adjust PH level of water”, the Owner relies on the invoiced sales of “PCARE TEST KIT REFILL 12X1”, which is depicted in the second Consumer Information Guide at Exhibit A. At the hearing, the Owner submitted that pool water needs to be *tested* before its pH can be *adjusted* and that testing is therefore part of any “adjustment” process. On this basis, the Owner submitted that the invoice entries for test kit refills show transfers of the registered goods “chemicals to adjust the pH level of water”.

[31] However, I agree with the Requesting Party that the “testing” process is separate from any “adjustment” process. Therefore, although reagents for testing pH may be used *in conjunction with* chemicals for adjusting pH levels, they are not themselves the registered goods “chemicals to adjust pH level”.

[32] Indeed, in her affidavit, Ms. Kowdley does not correlate the test kit reagents with the registered goods. Nor is there anything in the Guide’s product description to indicate that the test kit reagents are for “adjusting” pH levels. Therefore, aside from the Owner’s assertions at the hearing, there is nothing before me to indicate that the pH test kit refills shown in the evidence equate to the registered goods “chemicals to adjust pH level”.

[33] I am therefore not satisfied that the Owner has demonstrated use of the Mark in association with “chemicals to adjust pH level of water” within the meaning of sections 4 and 45 of the Act.

Pool liner cleaners

[34] With respect to “pool liner cleaners”, the Owner relies solely on the exhibited spreadsheet entries for “OBS-PCARE VINYL LINER CLEAN SPRAY 6X1L” to show sales and transfers of POOL CARE-branded pool liner cleaner.

[35] However, I am not satisfied that the entries from this internal document demonstrate a transfer of “pool liner cleaners” *in the normal course of trade*. Specifically, the only entries from

the relevant period indicate that, in the course of one day, the product was sold, refunded and then re-sold at a fraction of the original price. At the hearing, the Owner argued that providing discounts is within its normal trade practices, as evidenced by the “special offer” discounts shown in the exhibited invoices. Noting that those 4% “special offer” discounts are much smaller than the 96% discount apparently applied, the Requesting Party submitted that the “VINYL LINER CLEAN SPRAY” entry shows, at best, that it was sold at a “token” price, which would fall outside any normal course of trade.

[36] In her affidavit, Ms. Kowdley provides no context for the sale in question, nor does she provide any other particulars regarding transfers of “pool liner cleaners”, such as volumes of sales during the relevant period. Furthermore, it is curious that the Owner chose not to support its assertion of sales in this case with invoices, as was done to demonstrate transfers of “algecides”, for example. I also note that there are no other spreadsheet entries for pool liner cleaner products within the relevant period.

[37] As expressed by the Federal Court, a registered owner who chooses to provide evidence of a single sale is “playing with fire in the sense that he must provide sufficient information about the context of the sale...” [*Guido Berlucchi & C Srl v Brouillette Kosie Prince*, 2007 FC 245, 56 CPR (4th) 401 at para 20]. In the present case, the evidence is consistent with, at best, an isolated sale at a token price. Accordingly, absent further particulars, there is insufficient evidence from which to conclude that POOL CARE-branded “pool liner cleaners” were transferred in the normal course of trade during the relevant period.

[38] As such, I am not satisfied that the Owner has demonstrated use of the Mark in association with “pool liner cleaners” within the meaning of sections 4 and 45 of the Act.

Water stabilizers and water softeners

[39] Finally, the Owner relies on the invoice entries for “HTH STABILIZER 6X1KG” and “HTH STAIN & SCALE PREVENT 6” as evidence that “water stabilizers” and “water softeners” were sold during the relevant period. With respect to display of the Mark, the Owner relies on the cover of the exhibited Consumer Information Guides and on the header of the exhibited product information sheet.

[40] However, as discussed above with respect to “chlorines”, I am not satisfied that display of the Mark on the Guide’s cover and in the sheet’s header provides the requisite notice of association between the between the Mark and any particular products referenced within the Guide or sheet.

[41] Furthermore, although the Consumer Information Guide depicts “Stabilizer & Conditioner” and “Stain & Scale Prevent” products in bottles displaying the Mark, I am not prepared to infer that the invoiced “HTH” products were labelled in the same manner. Again, I note that the invoice listings are not prefaced by “PCARE” and further that the Owner was unable to identify in the exhibits any depictions of the specific products sold.

[42] Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with “water stabilizers” or “water softeners” within the meaning of sections 4 and 45 of the Act.

[43] Although evidentiary overkill is not required in section 45 proceedings, the registered owner must still establish a *prima facie* case of use of the trade-mark in association with each of the goods specified in the registration [*Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184, 90 CPR (4th) 428]. In other words, the Registrar must be able to “rely on an inference from proven facts rather than on speculation” to satisfy every element required by the Act [*Diamant Elinor, ibid* at para 11; see also *Smart & Biggar v Curb*, 2009 FC 47, 72 CPR (4th) 176 at para 20]. In the present case, I am only satisfied that the Owner has demonstrated use of the Mark in association with “algecides” within the meaning of sections 4 and 45 of the Act.

[44] As the Owner furnished no evidence of special circumstances excusing non-use of the Mark in association with the remaining goods, the registration will be amended accordingly.

Disposition

[45] In view of all of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with the provisions of section 45 of the Act, the registration will be amended to delete all of the registered goods except for “algecides”.

[46] The amended statement of goods will read as follows: “Swimming pool chemicals,

namely algecides.”

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

**TRADE-MARKS OPPOSITION BOARD
CANADIAN INTELLECTUAL PROPERTY OFFICE
APPEARANCES AND AGENTS OF RECORD**

HEARING DATE: 2016-08-24

APPEARANCES

Michael Adams	For the Registered Owner
Nathan Fan	For the Requesting Party

AGENTS OF RECORD

Riches, McKenzie & Herbert LLP	For the Registered Owner
Sim & McBurney	For the Requesting Party