

LE REGISTRAIRE DES MARQUES DE COMMERCE

THE REGISTRAR OF TRADE-MARKS

Citation: 2017 TMOB 62

Date of Decision: 2017-06-02

IN THE MATTER OF A SECTION 45 PROCEEDING

Fetherstonhaugh & Co

Requesting Party

and

Osmose-Pentox Inc.

Registered Owner

UCA09906 for OSMOSE

Registration

[1] This is a decision involving a summary expungement proceeding with respect to registration No. UCA09906 for the trade-mark OSMOSE (the Mark), owned by Osmose-Pentox Inc. (the Owner).

[2] The Mark is registered for use in association with wood preserving, treating and processing compositions (the Goods).

[3] For the reasons that follow, I conclude that the registration ought to be maintained on the register.

THE PROCEEDING

[4] On August 28, 2015, the Registrar of Trade-marks sent a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) to the Owner of the Mark. The notice was sent at the request of Fetherstonhaugh & Co. (the Requesting Party).

[5] The notice required the Owner to furnish evidence showing that it had used the Mark in Canada, at any time between August 28, 2012 and August 28, 2015 (the Relevant Period), in association with each of the registered goods. If the Mark had not been so used, the Owner was required to furnish evidence providing the date when the Mark was last used and the reasons for the absence of use since that date.

[6] Section 4(1) of the Act sets out the relevant definition of "use" in association with goods:

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.

[7] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for clearing the register of "deadwood". Mere statements of use are insufficient to prove use [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. The criteria for establishing use are not demanding [see *Woods Canada Ltd v Lang Michener et al* (1996), 71 CPR (3d) 477 (FCTD)] and an overabundance of evidence is not necessary [see *Union Electric Supply Co v Canada (Registrar of Trade-Marks)* (1982), 63 CPR (2d) 56 (FCTD)]. Nevertheless, sufficient evidence must still be provided to allow the Registrar to conclude that the Mark was used in association with each of the registered goods specified in the registration [see *Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270].

[8] In response to the Registrar's notice, the Owner filed the affidavit of Alex Gabanski, President of the Owner, sworn on November 17, 2015.

[9] Both parties filed written representations and only the Owner was present at the hearing.

THE EVIDENCE

[10] Mr. Gabanski states that he has been employed by the Owner since 1988 and has been the President since 1993. He explains that the Owner has specialized in the manufacture of wood preservatives and specialty coating products in Canada. He provides some historical information

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about the Owner and its predecessor-in-title, but such information is not relevant for the purpose of this proceeding.

[11] Mr. Gabanski affirms that one of the Owner's product bearing the Mark (OSMOSE Fence Post Mixture) is a wood preservative for treating wood posts at the ground level.

[12] The following exhibits are attached to Mr. Gabanski's affidavit:

- Exhibit A comprises samples of two labels used by the Owner, for OSMOSE END CUT ENTAILLES and OSMOSE POST LIFE, and screenshots of the Owner's website depicting labelled containers of the Goods. The labels describe the products as wood preservative;
- Exhibit B is the product guide found on the Owner's website;
- Exhibit C comprise price lists and purchase forms used by resellers to order products by fax or phone. The price list and purchase forms were effective as of January 1, 2015. They show product names, including the Mark, product unit prices and product unit volumes sold;
- Exhibit D is the 2015 spring booking flyer distributed by the Owner; the flyer shows the Mark;
- Exhibit E is a bundle of invoices dating from 2013 to July 29, 2015 evidencing the sale of the Goods in Canada; the invoices do contain a reference to the Mark.

[13] Mr. Gabansky states that, prior to August 28, 2015, the Owner sold hundreds of litres of Goods in cans labelled with the Mark.

POSITION OF THE REQUESTING PARTY

[14] The Requesting Party argues that:

- The Mark appearing on a website does not constitute use of a trade-mark;
- In any event, only the labels for the WOOD (sic) CUT and POST LIFE products would only constitute "use" if the labels appeared on the Goods sold during the Relevant Period, of which there is no evidence;
- It is important to appreciate that the evidence as a whole does not establish what any consumer saw at the time of purchase of any good. There is no indication in the evidence that any consumer in Canada saw those particular labels or those particular products at any time;
- The product guide and the booking flyer are irrelevant since there is no indication that they were visible to anyone at the time of purchase;
- The price lists are also irrelevant since there is no indication that they were viewed by a purchaser at the time of purchase;

- As for the invoices, unless they accompanied the Goods at the time of transfer, the fact that the Mark may appear on the invoices is irrelevant;
- As for the WOOD (sic) CUT and POST LIFE products, neither of them constitutes "processing compositions" and so the registration should at a minimum be amended accordingly;
- It is inappropriate for the Owner to assert that the labels shown as Exhibits A are those that were displayed on the products identified in the invoices Exhibit E. There is no suggestion in the affidavit that this was the case.

THE OWNER'S POSITION

[15] As for the Owner, it argues that:

- Exhibit A contains not only extracts from the website but also two labels bearing the Mark;
- As for Exhibits B, C and D, they establish the nature of the Owner's business and its channels of trade;
- The invoices filed as Exhibit E are convincing evidence of commercial use of the Mark during the Relevant Period. They refer to the Owner, the Mark and the date of sale;
- The evidence must be viewed as a whole, and not just by isolating its constituents, to understand "how the goods are used";
- As for "processing compositions", based on the Webster online dictionary definition of "process" to argue that "processing" results from the interaction between the wood and the product. "Wood treated and preserved necessarily undergoes processing by applying a chemical product which changes the nature of the wood from unpreserved, untreated and unprocessed to preserved, treated and processed. It is therefore totally acceptable that the description of products includes the word processing".

ANALYSIS

[16] I do not think, in view of the evidence filed and described above, that it is necessary to discuss at length each and every point raised by the Requesting Party. However, I will comment briefly on some of its arguments that appear to have some merits. In any event, I agree with the Owner that the evidence must be viewed as a whole and that each allegation made by Mr. Gabanski should not be read in isolation.

[17] Mr. Gabanski did not state clearly that the Goods were sold during the Relevant Period in containers bearing the labels attached as Exhibit A, and as illustrated on the webpages also attached as Exhibit A. However, as it will appear, this is not fatal to the Owner.

[18] As for Exhibits B, C and D, I agree with the Requesting Party that each one of them, *per se*, does not constitute proper evidence of use of a trade-mark in association with goods as provided by section 4(1) of the Act. Nevertheless, as pointed out by the Owner, they serve to illustrate how the Goods are sold in the normal course of trade.

[19] In my view, the key issue is whether the invoices, Exhibit E, establish use of the Mark. I conclude that they do for the following reasons.

[20] As submitted by the Requesting Party, unless the invoices accompanied the Goods at the time of transfer of property or possession, they would not constitute evidence of use of the Mark in Canada. However, there is no statement made by Mr. Gabanski to the effect that the invoices accompanied the Goods sold.

[21] Nonetheless, invoice 52132, under the heading "Ship Method", bears the inscription "PICK UP" with reference to the "Osmose EndCut" product sold. Invoice 52686 has the inscription "COLLECT" under the heading "Ship Method" with reference to the "Osmose EndCut" product sold.

[22] The shipping method described in those two invoices indicates that the purchasers picked up the Goods themselves at the Owner's place of business and, as such, that at least those two invoices accompanied the Goods at the time of transfer of property [for a similar example see *Sara Lee Corporation v Naylor* [2006] TMOB 46].

[23] There remains the question of whether the Mark itself appeared on the aforesaid invoices. Under the description portion of the products the mention "OSMOSE END CUT/ENTAILLES" appears. The dominant portion of that trade-mark is OSMOSE and the remainder is purely descriptive. The Mark did not lose its identity and remained recognizable [see *Canada (Registrar of Trade-marks) v Cie Internationale pour l'informatique CII Honeywell Bull, SA* (1985), CPR (3d) 523 (FCA)].

[24] The portion "END/CUT ENTAILLES" is separated, on the labels at Exhibit A. In fact, the Mark is written in white letters inside a black rectangle. Underneath, there is the notation "WOOD PRESERVATIVE" in a different smaller font and different colour (I cannot determine

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the colour from the greyscale image) and on a third line the reference "END CUT ENTAILLES" is written in even smaller letters and a third, different colour.

[25] Finally, I agree with the Owner's position with respect to the use of the Mark in association with "wood processing compositions". As the Owner states in its written representations, "processing" results from the interaction between the wood and the product.

[26] In all, even though the Owner's evidence has some lacunas, this case is not of the type identified in the case law as "dead wood", where the trade-mark registration needs to be expunged from the register.

CONCLUSION

[27] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with section 45 of the Act, registration No. UCA 09906 will be maintained on the register.

Jean Carrière Member Trade-marks Opposition Board Canadian Intellectual Property Office

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

HEARING DATE: 2017-05-04

APPEARANCES

Suzanne Antal

FOR THE REGISTERED OWNER

No one appearing

FOR THE REQUESTING PARTY

AGENT(S) OF RECORD

Joli-Coeur Lacasse

Fetherstonhaugh & Co.

FOR THE REGISTERED OWNER

FOR THE REQUESTING PARTY