

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

Citation: 2017 TMOB 162

Date of Decision: 2017-11-30

IN THE MATTER OF A SECTION 45 PROCEEDING

Shapiro Cohen LLP

Requesting Party

and

Maria Salome Proa

Registered Owner

TMA800,931 for TATTOO ADDICTION

Registration

- [1] At the request of Shapiro Cohen LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) on August 25, 2015 to Maria Salome Proa (the Owner), the registered owner of registration No. TMA800,931 for the trade-mark TATTOO ADDICTION (the Mark).
- [2] The Mark is registered for use in association with the goods "Ophthalmic frames and sunglasses".
- [3] The notice required the Owner to furnish evidence showing that the Mark was in use in Canada, in association with the goods specified in the registration, at any time between August 25, 2012 and August 25, 2015. 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.

- [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 the purpose and scope of section 45 of the Act is to provide a simple, summary and expeditious procedure for removing "deadwood" from the register. As such, the evidentiary threshold that the registered owner must meet is quite low [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448, 31 CPR (4th) 270]. A registered owner need only establish a *prima facie* case of use within the meaning of sections 4 and 45 of the Act [see *Diamant Elinor Inc v* 88766 Canada Inc, 2010 FC 1184, 90 CPR (4th) 428 at paragraph 2].
- [6] In response to the Registrar's notice, the Owner furnished her own affidavit, sworn on January 29, 2016, in San Dimas, California. Both parties filed written representations and were represented at an oral hearing.

THE OWNER'S EVIDENCE

- [7] Ms. Proa identifies herself as a founder and Chief Executive Officer of International Point of View, Inc. (INPOV), a California corporation incorporated in 2002.
- [8] Ms. Proa states that INPOV is a "manufacturer and distributor of ophthalmic products", whose "main purpose since 2002 is to offer high quality products and professional services along with prestigious brands, fashionable eyewear and optical equipment with advanced technology". She attests that the eyewear sold by INPOV includes products branded with the Mark.
- [9] Ms. Proa explains that, "for practical purpose, I have granted to INPOV an exclusive licence to use the trade-mark in connection with the selling of ophthalmic frames and sunglasses, while I retain control over the character and quality of the said products". She notes that she has been granted a general power of attorney to act on INPOV's behalf "as its representative in the course of its activities in all legal or business related matters". She also notes that she is a majority shareholder of INPOV, holding 70% of its share capital.

- [10] Ms. Proa attests that the Mark has been used in Canada in association with ophthalmic frames and sunglasses continuously since 2002, including on products sold by INPOV during the relevant period. Specifically, Ms. Proa states that ophthalmic frames and sunglasses were sold and shipped to INPOV's Canadian client Lunetterie New Look Inc. & Cdn (New Look). She states that the Mark is displayed on stickers applied to temporary lenses that are fitted to such ophthalmic frames and sunglasses and that the Mark is also displayed on the frames, as well as on stands and promotional materials.
- [11] In support, Ms. Proa attaches the following exhibits to her affidavit:
 - Exhibit A-1 is a printout of INPOV's corporate particulars from the California Secretary of State's database. I note that Ms. Proa is listed as the corporation's agent for service.
 - Exhibit A-2 is a screenshot from the website *www.inpov.com*, featuring a general description of "TATTOO® eyewear" and a photograph of a pair of eyeglasses. The word TATTOO appears on the depicted eyeglasses' frame and elsewhere on the webpage, for example, in the statement "TATTOO is a Registered Brand". At the top of the photograph, the word TATTOO and the ® symbol appear in block letters above the word "addiction" in smaller, thinner, lower case letters, as follows (the TATTOO ADDICTION Logo):



- Exhibit A-3 is a foreign-language document titled "PODER GENERAL", which
 Ms. Proa identifies as her power of attorney from INPOV. No English or French
 translation is provided.
- Exhibit A-4 is a spreadsheet that Ms. Proa describes as "a template of a sale order form as provided to the Canadian clients". The TATTOO ADDICTION Logo is displayed at the top of the form, along with INPOV's name and contact information. The body of the form lists dozens of model numbers in four collections: men's, women's, unisex and "sunglass". The form also includes fields for ordering counter displays, posters and cases.

- Exhibit A-5 consists of a June 2015 invoice and related shipping documents for sales by INPOV to New Look, in Quebec. Ms. Proa attests that the invoice accompanied the goods "upon delivery to the buyer". Under the heading "PO#72582 Tattoo Addiction", the invoice lists multiple units of four "Sunglass" models, each having the same unit price and each having an "Item" code beginning with "TAS": Ms. Proa identifies these products as "TATTOO ADDICTION sunglasses". An entry for a corresponding number of "Tattoo Black case/cloth" products at no charge appears directly underneath.
 - I note that the reference "BACK ORDERS" appears above the list of invoiced products. Moreover, the bottom of the invoice shows a "Payment/Credit Applied" that is equal to the "Total Invoice Amount", resulting in a "TOTAL" balance of zero dollars. The "Declared Value" on the shipping documentation is also zero dollars. The significance of these particulars will be discussed below.
- Exhibit A-6 is a five-page document that Ms. Proa describes as the "TATTOO ADDICTION sunglasses catalogue". The first two pages feature images of sunglasses in different settings and display various TATTOO trade-marks in a format similar to the TATTOO ADDICTION Logo. For example, "TATTOO polarized sun" is displayed across the title page and "TATTOO addiction" is printed on a depicted case. The last three pages depict 24 pairs of sunglasses; each pair displays the TATTOO ADDICTION Logo on its left lens. Ms. Proa attests that the depicted sunglasses are representative of sunglasses sold "in the ordinary course of commerce" and include the four models referenced in Exhibit A-5. Indeed, the four "TAS" Item codes in the invoice appear as "Model" codes beside four of the sunglasses depicted in the catalogue.
- Exhibit A-7 consists of a July 2015 invoice and related shipping documents for additional sales by INPOV to New Look, in Quebec. Again, Ms. Proa attests that the invoice accompanied the goods upon delivery to the buyer. Under the reference "TATTOO ADDICTION", the invoice lists multiple units of two "frame" models, each having the same unit price as the sunglass models and each having an "Item" code beginning with "TX". Ms. Proa identifies these products as "TATTOO ADDICTION ophthalmic frames". An entry for a corresponding number of "Tattoo White/black case &cloth" products, at no charge, appears directly underneath. I note that, on this invoice, the

- "TOTAL" balance corresponds to the "Total Invoice Amount", although the "Declared Value" on the shipping documentation is again zero dollars.
- Exhibit A-8 is a two-page document that Ms. Proa describes as the "TATTOO ADDICTION ophthalmic frames catalogue". The TATTOO ADDICTION Logo is displayed at the bottom of both pages; the words "TATTOO addiction" are also printed side-by-side at the top of page 2. The catalogue depicts six models of ophthalmic frames, four of which display the TATTOO ADDICTION Logo on the right lens and "SINCE 2001 TATOO EYEWEAR" on the left lens. Ms. Proa attests that the depicted ophthalmic frames are representative of those sold "in the ordinary course of commerce" and include the two models referenced in Exhibit A-7. Indeed, the two "TX" Item codes in the invoice appear as "Model" codes in the catalogue, beside two of the depicted frames with branded lenses.
- Exhibit A-9 is a photograph showing "an example of a display stand with its accompanying promotional material". The photograph depicts two stands, each with space for two or three pairs of glasses. The photograph also depicts a case, a tag like the one in Exhibit A-10 (discussed below), and what appears to be a framed photograph or a mirror. The TATTOO ADDICTION Logo is printed on each of these items. Ms. Proa explains that such items are laid out "in stores in the ordinary course of commerce in Canada".
- Exhibit A-10 is an image of a tag displaying the TATTOO ADDICTION Logo on its own. Ms. Proa attests that such tags are included inside all "packaging" for TATTOO ADDICTION ophthalmic frames and sunglasses.

<u>Analysis</u>

- [12] In its written representations, the Requesting Party makes two principal submissions:
 - Any use of the Mark by INPOV does not accrue to the Owner's benefit.
 - The trade-marks depicted in the evidence are not the Mark as registered.
- [13] At the hearing, the Requesting Party introduced two further submissions:

- The exhibited invoices do not demonstrate transactions in the normal course of trade.
- The Mark is not associated with *prescription* sunglasses, and has therefore not been used in association with the registered sunglass goods.
- [14] I will address each of these submissions in turn.

Use by the Owner

- [15] Pursuant to section 50(1) of the Act, for INPOV's use of the Mark to be deemed use by the Owner, the Owner must maintain "direct or indirect control of the character or quality of the goods" sold in association with the Mark under licence.
- [16] It is well established that a clear sworn statement can demonstrate the requisite control [see *Empresa Cubana del Tabaco v Shapiro Cohen*, 2011 FC 102, 91 CPR (4th) 248, aff'd 2011 FCA 340, 2011 CarswellNat 5405]. The requisite control can also be inferred from the facts, for example, where the registered owner is a director, officer or majority shareholder of the licensee [see *Lindy v Canada (Registrar of Trade Marks)* (1999), 241 NR 362 (FCA); see also *Phillips, Friedman, Kotler v Freed's of Morden Ltd*, 2000 CarswellNat 4003 (TMOB)]. Evidence of control by the registered owner can in turn support the finding of a licence agreement [see *Wells' Dairy Inc v UL Canada Inc* (2000), 7 CPR (4th) 77 (FCTD)].
- [17] As noted above, in the present case, Ms. Proa clearly states that she granted INPOV a licence to use the Mark in association with the registered goods, while she herself retains control over their character and quality. Additionally, she attests to being INPOV's founder, Chief Executive Officer, and majority shareholder. She also attests to having a power of attorney from INPOV to act on its behalf.
- [18] The Requesting Party contends that Ms. Proa's statements in this respect are "incomplete and ambiguous", because they do not indicate whether the alleged licence and control were in effect during the relevant period, and more specifically, at the time of the evidenced sales from INPOV to New Look. In the Requesting Party's submission, Ms. Proa's present-tense statements suggest that any licensing or control provisions might not have been implemented until after receipt of the section 45 notice.

- [19] Moreover, the Requesting Party argues that there is no indication of how Ms. Proa's roles within INPOV made her a "directing mind" of the company. In this respect, the Requesting Party argues that the need for a power of attorney to act on INPOV's behalf suggests that Ms. Proa otherwise *lacked* any control over the company's actions.
- [20] The Owner, however, maintains that the timing of the licence and control are clear when Ms. Proa's attestation in that regard is read in conjunction with the other statements in her affidavit. In the Owner's submission, the fact that Ms. Proa is a founder of INPOV suggests that she would have been in a position of control from the company's inception. Moreover, the Owner submits that the requisite control can reasonably be inferred from Ms. Proa's position as INPOV's CEO, given that a corporation's CEO necessarily participates in the corporation's management and daily operations. The Owner characterizes the power of attorney as evidence that INPOV uses the Mark through Ms. Proa and that she thereby controls such use.
- [21] For the purposes of this proceeding, Ms. Proa's evidence is sufficient to demonstrate the requisite control during the relevant period. Ms. Proa makes a clear sworn statement attesting to the requisite control and, as indicated above, it may also be inferred from her positons as an officer and majority shareholder of INPOV [per *Lindy*].
- [22] In these respects, use of the present tense in an affidavit must be considered with the evidence as a whole [see *Smart & Biggar v Anthony Tesselaar Plants Pty Ltd*, 2010 TMOB 120, 2010 CarswellNat 3520; *Cassels Brock & Blackwell LLP v Sweet Creations Inc*, 2015 TMOB 27, 132 CPR (4th) 473]. When Ms. Proa's attestations with respect to licensing and control are read in context, nothing in the evidence is inconsistent with the interpretation that her "present tense" statements are with respect to the licence and control generally, including during the relevant period.
- [23] Furthermore, I do not consider Ms. Proa's sworn statements regarding control to be inconsistent with the grant of a power of attorney; drawing any negative inferences from that grant would be speculative.
- [24] In view of the foregoing, I accept that any demonstrated use of the Mark by INPOV enures to the Owner's benefit.

Use of the Mark as registered

- [25] The next issue is whether the Owner has demonstrated use of the Mark as registered. In this respect, the Requesting Party submits that the trade-mark used was not TATTOO ADDICTION, but rather, TATTOO.
- [26] In particular, the Requesting Party submits that, throughout the furnished exhibits,
 - TATTOO is displayed separately from and more prominently than ADDICTION;
 - the ® symbol appears after TATTOO rather than after ADDICTION; and
 - TATTOO is also displayed on its own or with different, descriptive words, such as "eyewear" and "polarized sun".
- [27] The Requesting Party further notes that the attribution statement on the webpage at Exhibit A-2 identifies TATTOO—not TATTOO ADDICITON—as the "Registered Brand".
- [28] The Owner, for its part, submits that the whole of the reading matter in the TATTOO ADDICTION Logo would be perceived as a single trade-mark. In the Owner's submission, it is "somewhat far-fetched" to allege that the ADDICTION component would be perceived as descriptive and not integral to the trade-mark. In this respect, the Owner submits that displaying a trade-mark as stacked words of equal width is a common and legitimate design choice and that the placement of the ® symbol is likewise a matter of artistic preference.
- [29] It is well established that a registration for a word mark can be supported by use of that mark in any stylized form [see *Stikeman*, *Elliott v Wm Wrigley Jr Co* (2001), 14 CPR (4th) 393 (TMOB)]. The question to be asked is whether the trade-mark was used in such a way that it did not lose its identity and remained recognizable [*Canada* (*Registrar of Trade Marks*) v Cie internationale pour l'informatique CII Honeywell Bull, SA (1985), 4 CPR (3d) 523 (FCA)].
- [30] In the present case, the entire word mark as registered is clearly displayed in the TATTOO ADDICTION Logo. This is not a case where an element of the registered trade-mark is missing or where the elements of a registered trade-mark are separated by distance or by other, intervening elements.

- [31] Furthermore, although the placement of the ® symbol might suggest that TATTOO is a registered trade-mark in its own right, the ® symbol can also be perceived as applying to the entire design. Accordingly, a consumer viewing this stylized rendering may recognize both TATTOO and TATTOO ADDICTION as trade-marks being used.
- [32] In view of the foregoing, I am satisfied that display of the TATTOO ADDICTION Logo constitutes display of the Mark *per se*. It is therefore not necessary to consider the instances where the word TATTOO is displayed without the word ADDICTION.

Transfers in the normal course of trade

- [33] At the hearing, the Requesting Party further submitted that the exhibited invoices fail to demonstrate transfers of the registered goods in the normal course of trade, noting in particular the zero dollar balance on the invoice at Exhibit A-5. The Requesting Party also drew attention to the zero dollar "Declared Value" indicated on the shipping documents at Exhibits A-5 and A-7. In the absence of an explanation from Ms. Proa, the Requesting Party submits that it is, at best, ambiguous whether the invoiced goods were sold in the normal course of trade or distributed free of charge. The Requesting Party argues that resolving such ambiguities in the Owner's favour would require resorting to speculation, such that the Owner has failed to establish a *prima facie* case of use in the normal course of trade.
- [34] However, it is well established that the Registrar may draw reasonable inferences from the evidence provided [see *BCF SENCRL v Spirits International BV*, 2012 FCA 131, 101 CPR (4th) 413; and *Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64, 48 CPR (4th) 223].
- [35] In this case, with respect to the Exhibit A-5 invoice, I agree with the Owner that it may reasonably be inferred from an invoice for "BACK ORDERS" with a "Payment/Credit Applied" that the buyer was already charged for the goods. In this respect, the present case is distinguishable from *Cassels Brock & Blackwell LLP v True Temper Sports, Inc*, 2015 TMOB 6, 2015 CarswellNat 612, cited by the Requesting Party for the proposition that goods transferred at no charge are not transferred in the normal course of trade. In *True Temper Sports*, the affiant specifically described the invoiced transaction as "the transfer of property of samples"; the

invoiced goods' *unit* price was nil; and the registered owner did not provide any representations to "clarify this ambiguity" [*True Temper Sports* at paragraphs 10, 14]. None of those factors exists in the present case.

- [36] With respect to the zero dollar "Declared Value" on the shipping documents, there is no evidence as to the significance of this figure. However, considering that a zero dollar value is indicated regardless of the corresponding invoice balance, I am not prepared to infer that the "Declared Value" figure in this case has any bearing on the amount charged to the buyer.
- [37] Accordingly, I accept that the invoiced goods were transferred in the normal course of trade during the relevant period.

Use in association with the registered goods

- [38] Finally, at the hearing, the Requesting Party submitted that the "sunglasses" referenced in Ms. Proa's affidavit do not correspond to the sunglass goods identified in the registration. The Requesting Party's reasoning in this respect is as follows.
- [39] First, the Requesting Party's submits that the registered statement of goods "ophthalmic frames and sunglasses" should, as a matter of grammatical construction, be read as "ophthalmic frames and [ophthalmic] sunglasses". In advancing this interpretation, the Requesting Party submits that "ophthalmic" is an ordinary commercial term referring specifically to *prescription* eyewear.
- [40] Next, the Requesting Party notes Ms. Proa's statement that the Mark is displayed on *temporary* lenses. As emphasized by the Requesting Party, there is no indication of the Mark being displayed on the final lenses when a pair of sunglasses is sold to a consumer. Nor is there any specific indication that the Owner or its licensee is involved in the manufacture or fitting of such final lenses. Accordingly, the Requesting Party submits that the Mark would only be displayed at the time of the transfer of *non-prescription* sunglasses to retailers, and not at the time of the transfer of *prescription* sunglasses to consumers. The Requesting Party further argues that any association the Mark may have with such *prescription* sunglasses would not enure to the Owner's benefit, because the Owner has not demonstrated control over the character or quality of the prescription aspect of the product.

- [41] Lastly, to the extent that the Mark may be associated with *frames* for prescription sunglasses, the Requesting Party argues that branding a part used in the production of a finished product does not constitute trade-mark use in association with that finished product. The Requesting Party cites three cases in support of its position: *Stikeman Elliott LLP v Puratos* NV, 2017 TMOB 29, 149 CPR (4th) 262; *928735 Ontario Ltd v Spring-Air Co*, 2006 CarswellNat 2098 (TMOB); and *Dexter Corporation v American Seating Company*, 1992 CanLII 6592 (TMOB).
- [42] The Owner, for its part, submits that it is more reasonable to interpret the registered statement of goods as two stand-alone terms: "ophthalmic frames" and "sunglasses". Moreover, the Owner submits that the Requesting Party's distinction between prescription and non-prescription sunglasses is immaterial, given that the same frames can often be used for either regular glasses or sunglasses, or for either prescription sunglasses or non-prescription sunglasses.
- [43] Notwithstanding the Requesting Party's submissions, I find that, in the circumstances of the present case, nothing turns on whether the registered sunglass goods are limited to "ophthalmic" ones.
- [44] More particularly, in the absence of evidence on how the word "ophthalmic" is ordinarily defined or used in the trade, I am not prepared to accept that it refers only to *prescription* products. In this respect, the Registrar may take judicial notice of dictionary definitions [see *Tradall SA v Devil's Martini Inc*, 2011 TMOB 65, 92 CPR (4th) 408]. Although no such references were cited by the parties, I note that the *Concise Canadian Oxford Dictionary* defines "ophthalmic" as "relating to the eye and its diseases", while *Webster's Third New International Dictionary* defines "ophthalmic" as "1: of, relating to, or near the eye: OCULAR 2: for use on or in the eye <an ~ ointment>".
- [45] Although the first definition includes a reference to "diseases", neither definition implies that an "ophthalmic" product is necessarily a corrective one or one requiring a prescription. Indeed, since an "ophthalmic frame" would not in itself have a corrective function, the most reasonable interpretation of "ophthalmic" in the context of the registered statement of goods would seem to be "for use on or near the eye". According to this definition, describing sunglasses as "ophthalmic" would be redundant.

- [46] Furthermore, with respect to the Requesting Party's submission that the Owner sells sunglass frames rather than complete sunglasses, I see no reason not to take Ms. Proa's characterisation of the products sold at face value, regardless of whether temporary lenses are included with the products. In particular, I take at face value Ms. Proa's sworn statement that the invoice at Exhibit A-5 reflects sales of "sunglasses".
- [47] In this respect, I note that statements in an affidavit must generally be accorded substantial credibility [*Ogilvy Renault v Compania Roca-Radiadores SA*, 2008 CarswellNat 776 (TMOB)]. Moreover, since the exhibited invoices, on their face, distinguish between "sunglass" and "frame" products in the same way as Ms. Proa does, I am prepared to accept "sunglasses" as an ordinary commercial term for the goods in question. I note that the catalogue title "TATTOO polarized sun" is also more consistent with "sunglasses" than with "sunglass frames".
- [48] The present case is thus distinguishable from the cases cited by the Requesting Party. More particularly, in each of the cited cases, it appears that the documentary evidence expressly identified the relevant good sold by the Owner (or its licensee) as a specific ingredient, material or part used in making the registered good. Furthermore, the affiants' assertions of use in association with the finished goods were apparently unclear or ambiguous. In the present case, Ms. Proa makes a clear assertion of use in association with "sunglasses", supported by documentation referring to the goods at issue by the term "sunglasses".
- [49] Finally, I am satisfied that display of the Mark on temporary lenses constitutes display of the Mark in association with the goods at the time of their delivery to New Look, both in the case of the "sunglasses" and in the case of the "ophthalmic frames". I consider this association to be reinforced, at a minimum, by the exhibited invoices, where the Mark is displayed as a heading for the "frame" and "sunglass" goods in question. As noted above, Ms. Proa confirms that the invoices accompanied the goods upon their delivery to the buyer. Moreover, the Mark is also displayed on the order form template for TATTOO ADDICTION eyewear and on the goods depicted in the TATTOO ADDICTION product catalogues, as described above.
- [50] I am therefore satisfied that the Mark was associated with the registered goods at the time of transfer to INPOV's retail customers.

DISPOSITION

[51] In view of all of the foregoing, I am satisfied that the Owner has demonstrated use of the Mark in association with the registered goods within the meaning of sections 4(1) and 45 of the Act.

[52] Accordingly, pursuant to the authority delegated to me under section 63(3) of the Act and in compliance with section 45 of the Act, the registration will be maintained.

Oksana Osadchuk 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 2017-08-22

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