

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

> Citation: 2018 TMOB 15 Date of Decision: 2018-02-12

IN THE MATTER OF A SECTION 45 PROCEEDING

Cox & Palmer

Requesting Party

and

PB Brands Inc.

Registered Owner

TMA595,004 for EAU CANADA

Registration

INTRODUCTION

[1] At the request of Cox & Palmer (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 May 13, 2016 to PB Brands Inc. (the Owner), the registered owner of registration No. TMA595,004 for the trade-mark EAU CANADA (the Mark).

[2] The Mark is registered for use in association with "Drinking water, in bottled, water cooler and bulk formats".

[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 it was last in use and the reason for the absence of such use since that date. In this case, the relevant period for showing use is May 13, 2013 to May 13, 2016.

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[4] The relevant definition of use for goods is set out in section 4 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 in these proceedings is 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* (1984), 80 CPR (2d) 228 (FCA)].

[6] In response to the Registrar's notice, the Owner furnished the affidavit of Andrew Menceles, affirmed on July 15, 2016 in Toronto. Both parties filed written representations; a hearing was not requested.

THE OWNER'S EVIDENCE

[7] In his affidavit, Mr. Menceles identifies himself as the President of the Owner as well as of JAM Brands Inc. He explains that JAM Brands owned the registration for part of the relevant period, and is now the Owner's licensee.

[8] Mr. Menceles attests that the Owner's business "is the acquisition and licensing to others of intellectual property rights" and that JAM Brands is a "licensing consultancy". He states that JAM Brands "focuses on the development and management of licensing programs" in various fields, joining brand owners with licensees "to bring successful products and services to market".

[9] With respect to the Mark, Mr. Menceles attests that, in January 2013, JAM Brands acquired the registration from the previous owner and then "started the process of preparing for entry into the Canadian market with EAU CANADA-branded drinking water".

[10] Mr. Menceles attests that JAM Brands made its first sale of drinking water in association with the Mark in January 2014, through a sale of bottled drinking water and water coolers to a customer hosting a martial arts tournament. Attached as Exhibit 1 to his affidavit is a copy of the invoice for the sale, showing the sale of 50 cases of bottled water. Mr. Menceles attests that this sale amounted to 600 bottles of drinking water. Furthermore, although they are not identified on the invoice, Mr. Menceles explains that the sale included two water coolers that displayed the Mark on stickers applied to the coolers.

[11] Although some information is redacted from the invoice, Mr. Menceles confirms that the customer was located in Toronto and that the invoiced goods were delivered in Toronto. He also confirms that "this was a commercial sale, for an amount in excess of \$1,000, and made in the normal course of JAM Brands' trade."

[12] Exhibit 2 to his affidavit consists of two photographs of bottled water that Mr. Menceles attests show how the Mark was displayed on the bottles sold in January 2014. The Mark appears on the bottles as depicted below:



[13] Although difficult to discern in the reproduction, in smaller font below the Mark are the words "Canadian Natural Spring Water".

[14] Although Mr. Menceles attests that he no longer has samples of the aforementioned EAU CANADA stickers that were applied to the water coolers sold by JAM Brands, he confirms that the stickers displayed the Mark in the same manner as shown in Exhibit 2.

[15] Mr. Menceles attests that, in September 2014, the Owner acquired the Mark from JAM Brands, but that pursuant to a license agreement, JAM Brands continued to sell the registered goods in association with the Mark. Mr. Menceles confirms that, pursuant to that agreement, the Owner had "the right to control the character and quality of the Goods bearing [the Mark]".

[16] Exhibit 3 to his affidavit consists of three invoices for sales by JAM Brands of various quantities of "EAU CANADA BOTTLED WATER 500ML – CASE OF 12 BOTTLES" in 2015 to customers located in Toronto. Mr. Menceles explains that, like the Exhibit 1 invoice, the first invoice in Exhibit 3 is for the sale of drinking water in both bottles and water coolers, to a customer for use at a martial arts tournament. He also attests that the Mark "was displayed on the bottles of water and on the water coolers that were sold on these occasions and on the cases containing these bottles".

[17] Mr. Menceles further attests that JAM Brands "gives notice to the public" that the Mark is owned by the Owner. In this respect, attached as Exhibit 4 to his affidavit are printouts of pages from JAM Brands' website. The pages describe JAM Brands' business and display an EAU CANADA logo. Mr. Menceles explains that clicking on the logo takes the user to another page, which contains the statement "EAU CANADA IS A REGISTERED TRADEMARK OF P.B. BRANDS INC.". He confirms that this statement was displayed on the page in question during the relevant period.

[18] Mr. Menceles attests that "this portion of the JAM Brands website, the logo form of [the Mark], and the bottle design for our EAU CANADA-branded drinking water were all recently re-designed". Although examples of these redesigns are not included in his affidavit, he asserts that they continue to prominently depict the Mark.

[19] In any event, he attests that the Exhibit 2 photographs are representative of the manner in which the Mark was displayed by JAM Brands "on the Goods and on the cases containing the Goods during the Relevant Period."

ANALYSIS

[20] In its written representations, the Requesting Party submits that "there are significant additional design elements and additional words that are always added to [the Mark] resulting in [the Mark] never being used in isolation and never being used as defined in s.4 of the Act."

[21] However, use of a word mark in combination with additional words or design features qualifies as use of that word mark if the public, as a matter of first impression, would perceive the word mark *per se* as being used [*Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB); *88766 Canada Inc v National Cheese Co* (2002), 24 CPR (4th) 410 (TMOB)]. The issue is a question of fact, dependent upon such factors as whether the word mark stands out from the additional material – for example, by the use of different lettering or sizing – or whether the additional material would be perceived as purely descriptive matter or as a separate trade-mark or trade name [see *Nightingale, supra*]. Moreover, a registration for a word mark can be supported by use of that mark in any stylized form and in any colour [see *Stikeman, Elliott v Wm Wrigley Jr Co* (2001), 14 CPR (4th) 393 (TMOB)] and nothing prevents the display of multiple trade-marks on goods or their packaging [see *AW Allen Ltd v Canada (Registrar of Trade Marks)* (1985), 6 CPR (3d) 270 (FCTD)].

[22] In this case, I agree with the Owner that the registered word mark *per se* was displayed on the goods. The additional words are descriptive in nature and in a smaller font. As well, the Mark is separate and apart from the design element above it, and nothing prevents a word mark from being displayed in combination with design elements.

[23] The Requesting Party also submits that there is no evidence of display of the Mark on the registered goods in "water cooler and bulk formats".

[24] With respect to water coolers, however, I accept that the evidence of display of the Mark on water bottles shown at Exhibit 2 is representative of how the Mark was displayed on water coolers sold by JAM Brands during the relevant period. Mr. Menceles makes sufficiently clear statements that water coolers displaying the Mark were part of two of the evidenced transactions during the relevant period. This is sufficient to establish a *prima facie* case of use of the Mark in respect of such "water cooler" goods.

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[25] On the other hand, there is no evidence of transfers of drinking water in "bulk formats" other than in water cooler format. Having distinguished particular goods in the registration, the Owner was obligated to provide some evidence with respect to each of the listed goods accordingly [per *John Labatt, supra*].

[26] As such, I am only satisfied that the Owner has demonstrated use of the Mark in association with drinking water in bottled and water cooler formats within the meaning of sections 4 and 45 of the Act. As there is no evidence of special circumstances excusing non-use of the Mark before me, the registration will be amended accordingly.

DISPOSITION

[27] 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 drinking water in "bulk" format.

[28] The amended statement of goods will be as follows: "Drinking water, in bottled and water cooler formats."

Andrew Bene Member Trade-marks Opposition Board Canadian Intellectual Property Office

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

HEARING DATE No Hearing Held

AGENTS OF RECORD

Blake, Cassels & Graydon LLP

Cox & Palmer

For the Registered Owner

For the Requesting Party