



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

Citation: 2018 TMOB 64

Date of Decision: 2018-06-29

IN THE MATTER OF A SECTION 45 PROCEEDING

Castel Engineering NV

Requesting Party

and

Eneready Products Ltd.

Registered Owner

TMA477,178 for SPEEDI-SLEEVE

Registration

[1] At the request of Castel Engineering NV (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 July 6, 2016 to Eneready Products Ltd. (the Owner), the registered owner of registration No. TMA477,178 for the trade-mark SPEEDI-SLEEVE (the Mark).

[2] The Mark is registered for use in association with the goods “ventilation duct fittings”.

[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 July 6, 2013 and July 6, 2016. 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 para 2].

[6] In response to the Registrar’s notice, the Owner furnished the statutory declaration of its products and marketing manager, Yvonne Kerr, solemnly declared on October 4, 2016. Both parties filed written representations; a hearing was not requested.

THE OWNER’S EVIDENCE

[7] In her declaration, Ms. Kerr states that the Owner used the Mark in association with ventilation duct fittings “throughout the 3-year period prior to July 6, 2016”, during which time it “sold SPEEDI-SLEEVE product in many areas in British Columbia and in the Atlantic provinces, as well as in several areas in Alberta.”

[8] She specifies that the Owner has produced and sold several sizes of ventilation duct fittings under the Mark in Canada, namely a 4-inch fitting from 1992 to the present, a 4-inch diameter fitting having a 5-inch diameter increaser from 2004 to the present, and a 6-inch fitting from 2011 to the present. Ms. Kerr attaches a photograph of these three sizes of SPEEDI-SLEEVE ventilation duct fittings as Exhibit A to her declaration.

[9] Although the Mark is not visible in the Exhibit A photograph, Ms. Kerr also attaches, as Exhibit B to her declaration, an enlarged image of the fitting having an increaser. Embossed on

the fitting's surface is a logo consisting of the word "Speedi™" above the word "Sleeve", wherein the initial letter of both words is a single, large S.

[10] In addition, Ms. Kerr attaches, as Exhibits C to F of her declaration, various pages of installation instructions that she attests are supplied by the Owner to "installers and purchasers" of its SPEEDI-SLEEVE ventilation duct fittings, as follows:

- Exhibit C is a page with instructions for installing a grill into a duct system "using Speedi-sleeve". Ms. Kerr attests that this page has been supplied since October 1992.
- Exhibit D is a page titled "Eneready Layout Legend", with instructions for "joining an elbow to a speedi-sleeve®". Ms. Kerr attests that this page has been supplied since July 1998.
- Exhibit E is a page titled "SPEEDI-SLEEVE® CLAMPING RING", with instructions for retrofit installation or repair of an overhead ventilation duct system. One of the instructions is to install "an Eneready 4"ø or 4-5"ø Speedi-Sleeve®". Ms. Kerr attests that this page has been supplied since February 2006.
- Exhibit F consists of two pages that Ms. Kerr describes as an excerpt from an "Installation Supplement" supplied since April 2014. The pages provide instructions for installing a grill "into albos®s and Speedi-Sleeves®".

[11] Each of the exhibited instruction pages contains at least one reference to a component identified by the Mark, with the Mark appearing in singular or plural form, in various combinations of upper and lower case letters, and with or without a hyphen. I note that all but one page displays the Owner's name, two also display its address in British Columbia, and all bear a date consistent with the supply start dates provided by Ms. Kerr.

PRELIMINARY REMARKS

[12] At the outset, I note that the Requesting Party's written representations include submissions challenging the validity of the registration at issue, the timing of the Owner's "service" of its evidence on the Requesting Party, and the declarant's knowledge of the Owner's business during the relevant period.

[13] The first two issues are beyond the scope of this proceeding. As noted by the Federal Court of Appeal in *Ridout & Maybee srl v Omega SA*, 2005 FCA 306, 43 CPR (4th) 18 and *Renaud & Cointreau & Cie v Cordon Bleu International Ltd*, 2002 FCA 11, 18 CPR (4th) 415, the validity of a registration is not in dispute in section 45 proceedings. Furthermore, there are currently no legislative or regulatory provisions requiring a registered owner to serve or send a copy of the evidence it has filed with the Registrar to the attention of the requesting party.

[14] As for the declarant's knowledge of the Owner's business, the Requesting Party notes that Ms. Kerr does not indicate how long she has been employed with the Owner, what her responsibilities have been, or whether she has access to any of the Owner's business records. However, I find it reasonable to infer that a company's "products and marketing manager" would generally be knowledgeable about the branding, sale and distribution of the company's products and product-related literature. Moreover, there is no reason to doubt that Ms. Kerr's knowledge extends to the relevant period. Ms. Kerr specifically states that she has "personal knowledge of the facts declared" and, for the purposes of this proceeding, I am prepared to take this statement at face value.

ANALYSIS

[15] The Requesting Party questions various aspects of the Owner's evidence with respect to use of the Mark and submits that more relevant evidence should have been provided, for example, photographs of product packaging or invoices. The Requesting Party's main submissions can be summarized as follows:

1. The images of the ventilation duct fittings at Exhibits A and B do not identify the Owner or any of its licensees as the source of the goods.
2. The SPEEDI SLEEVE logo on the ventilation duct fitting shown at Exhibit B is "considerably different" than the Mark as registered, given the logo's display on two lines, the enlarged S, and the absence of a hyphen. In particular, although a word mark "can be used in a variety of fonts", the presence of the hyphen in the registered Mark "creates a specific visual impression of the mark that cannot be ignored".

3. The evidence does not establish that the branding depicted at Exhibit B was applied to fittings sold during the relevant period or that such fittings were accompanied by the exhibited installation instructions.
4. There is no evidence that the alleged sales of ventilation duct fittings were made in the normal course of trade.

[16] I will address each of these submissions in turn.

Use by the Owner

[17] With respect to the Requesting Party's first submission, I note that a registered owner is not required to provide evidence of use of the trade-mark along with its name [see *Novopharm Ltd v Monsanto Canada, Inc* (1998), 80 CPR (3d) 287 (TMOB); and *Vogue Brassiere Inc v Sim & McBurney* (2000), 5 CPR (4th) 537 (FCTD)].

[18] Furthermore, the owner's evidence must be considered as a whole and exhibits interpreted in conjunction with the statements made in the affidavit or statutory declaration [see, for example, *Fraser Milner Casgrain LLP v Canadian Distribution Channel Inc* (2009), 78 CPR (4th) 278 (TMOB)].

[19] In this case, Ms. Kerr states that the *Owner* was producing and selling the ventilation duct fittings depicted at Exhibit A under the Mark in Canada and that the image at Exhibit B is an example of the *Owner's* use of the Mark. Moreover, these statements are consistent with the Exhibit E instructions, which refer to the installation of an "Eneready" 4-inch or 4-to-5-inch "Speedi-Sleeve®". Accordingly, I am satisfied that the Owner is and was the source of the ventilation duct fittings depicted in the exhibits.

Deviation

[20] With respect to the trade-mark in use deviating from the Mark as registered, 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)]. In deciding this issue, one must look to see whether the “dominant features” of the trade-mark have been preserved [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)].

[21] In the present case, I consider the arrangement of the words and the omission of the hyphen in the evidenced logo to be minor deviations from the Mark as registered. In my view, the dominant features of the Mark are the words SPEEDI and SLEEVE, which would be perceived as such in the logo, despite sharing the initial letter S. Furthermore, I do not find the visual impression created by the hyphen in the Mark as registered to be significant; nor does its omission affect the pronunciation or meaning of the Mark. Indeed, the exhibited instruction sheets show the Mark presented both with and without a hyphen. Accordingly, I consider the hyphen’s omission to be a minor deviation that does not alter the Mark’s identity. The Mark remains recognizable.

Use during the Relevant Period

[22] On the issue of whether the SPEEDI SLEEVE logo was displayed on fittings sold during the relevant period, again, the evidence must be considered as a whole. In this case, Ms. Kerr clearly states that the Owner used the Mark in association with ventilation duct fittings “throughout the 3-year period prior to July 6, 2016”. She then,

- (i) specifies the provinces where “SPEEDI-SLEEVE product” was sold during this time;
- (ii) gives complete timeframes (all of which include the relevant period) for production and sale of specific sizes of ventilation duct fittings under the Mark in Canada; and
- (iii) provides an example of how the Mark was displayed on at least one such ventilation duct fitting.

[23] Although Ms. Kerr does not explicitly state that the example dates from the relevant period, I am satisfied, on a fair reading of Ms. Kerr’s statements in context, that the image at Exhibit B is representative of the 4-inch fittings with 5-inch increaser produced and sold from 2004 to the present, including during the relevant period.

[24] Ms. Kerr does not corroborate her statements with documentary evidence of sales dated during the relevant period. However, in a section 45 proceeding, the statements in an affidavit or statutory declaration must be accorded substantial credibility [see *Ogilvy Renault v Compania Roca-Radiadores SA*, 2008 CarswellNat 776 (TMOB)]. Furthermore, although the Requesting Party alleges certain incongruities, I do not consider the reliability of Ms. Kerr's declarations to be affected. In particular, I do not consider the Owner's choice of filing basis when applying to register the Mark to cast doubt on the accuracy of Ms. Kerr's solemn declarations regarding the periods of use. I also disagree with the Requesting Party's implication that the installation instructions bearing early dates would have since been updated. Indeed, the fact that the Owner appears to have published an installation *supplement* in 2014 (Exhibit F) suggests that the original instructions might *not* have been updated.

[25] As for whether the ventilation duct fittings were sold together with the exhibited installation instructions, while I agree with the Requesting Party that the evidence in this regard is unclear, the issue is ultimately moot. As discussed above, I am satisfied that the Mark was displayed directly on the registered goods at the time of their transfer during the relevant period, as contemplated by section 4(1) of the Act.

The Normal Course of Trade

[26] In view of the foregoing, the main issue in this case is whether the evidence is sufficient to demonstrate sales or transfers in the normal course of trade in Canada during the relevant period.

[27] In general, a registered owner must not merely state, but actually *show* use of its trademark in association with the registered goods "by describing facts from which the Registrar or the Court can form an opinion or can logically infer use within the meaning of section 4" [see *Guido Berlucchi & C Srl v Brouillette Kosie Prince*, 2007 FC 245, 56 CPR (4th) 401 at para 18]. Accordingly, the evidence must include facts demonstrating that sales or transfers of the goods occurred in the normal course of trade.

[28] However, in the context of a section 45 proceeding, this burden of proof is very light. As noted above, a registered owner need only establish a *prima facie* case of use. The evidence need

not be perfect and the Registrar may draw reasonable inferences from the facts provided [*Diamant, supra* at paras 8–9; and *Spirits International BV v BCF SENCRL*, 2012 FCA 131, 101 CPR (4th) 413; see also *Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64, 48 CPR (4th) 223].

[29] The Requesting Party cites *SC Johnson & Son, Inc v Registrar of Trade Marks* (1981), 55 CPR (2d) 34 (FCTD) and *Sim & McBurney v Majdell Manufacturing Co* (1986), 11 CPR (3d) 306 (FCTD) for the proposition that the evidence must set out details of the owner’s normal course of trade and state facts enabling the Registrar to infer that goods were sold in such circumstances. The Requesting Party argues that, in this case, Ms. Kerr makes no statement regarding the nature of the Owner’s business, which makes it “difficult to determine if the [Owner’s] alleged sales were in the normal course of trade”.

[30] The Owner submits that Ms. Kerr does indeed provide evidence of the nature of the Owner’s trade, by clearly stating that the Owner was “producing and selling” ventilation duct fittings.

[31] On this point, I would first note that there is no particular type of evidence that must be provided in a section 45 proceeding. Accordingly, an affidavit or statutory declaration that does not attach an invoice is not presumptively useless [*Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD)]. However, in the absence of invoices, a registered owner should be prepared to furnish evidence regarding volumes of sales, dollar value of sales, or equivalent factual particulars, to allow the Registrar to conclude that transfers in the normal course of trade actually occurred in Canada during the relevant period [see *1471706 Ontario Inc v Momo Design srl*, 2014 TMOB 79, 2014 CarswellNat 2439; and *Gowling Lafleur Henderson LLP v Wertex Hosiery Inc*, 2014 TMOB 193, 2014 CarswellNat 4624]. Such evidence can be in the form of documentation like invoices or sales reports, but can also be through clear sworn statements.

[32] In this respect, there is no minimum amount of commercial activity required in order to maintain a registration [see *Vogue Brassiere, supra*; and *Coscelebre Inc v Canada (Registrar of Trade Marks)* (1991), 35 CPR (3d) 74 (FCTD)]. However, when there is evidence of substantial sales, it may be reasonable to infer from the extent of sales alone that they were made in the

normal course of trade, whereas when the number of sales is very small, further facts are generally necessary to permit the same conclusion [see *Wallace v Geoservices* (1988), 19 CPR (3d) 561 (TMOB)]. In this regard, information on an owner's distribution chain, customer base and sales practices can assist the Registrar in determining whether apparently isolated sales were nonetheless made in the normal course of trade. Such information can also resolve apparent discrepancies, for example, when the sales in evidence appear to have been made by a third party.

[33] In the present case, Ms. Kerr speaks to the volume and location of sales, but does so only in general terms, stating essentially that SPEEDI-SLEEVE ventilation duct fittings were sold "throughout" the relevant period "in many areas in British Columbia and in the Atlantic provinces, as well as in several areas in Alberta."

[34] Had Ms. Kerr provided a numerical sales figure, the question would have been whether it is reasonable to infer from that figure alone that the sales consisted of normal commercial transactions. As it stands, I must determine whether Ms. Kerr's solemn declaration attesting to "many" sales permits the same inference. Reading Ms. Kerr's particular statement in context, I conclude that it does.

[35] Although Ms. Kerr's formulation is not precise, in my view it is sufficient. In this respect, not only does Ms. Kerr draw a distinction between, essentially, "many" sales and "several" sales, but she also attests to sales in "many areas" in each of two separate regions: British Columbia and the Atlantic provinces. Whereas "several" sales in a single province may still leave one in the dark as to whether they were in the seller's normal course of trade, in this case, I find it reasonable to infer from the fact of sales "throughout" the relevant period in "many areas" in *each* of two separate regions (as well as several *additional* areas in a third region, Alberta) that such sales represent genuine commercial activity and the "normal" course of the Owner's trade.

[36] The present case can be distinguished from those cited by the Requesting Party. In *SC Johnson*, it appears the only evidence with respect to volume of sales was that "units" of the product were sold in each of the ten provinces, over an extended period of about six years. In *Majdell*, the evidence established only one pertinent commercial transaction, for a relatively small quantity. It was in such circumstances that the Federal Court required details on the nature

of the owners' customary business practices and usual purchasers, so as to permit an inference that the limited sales in evidence were made in the normal course of trade. In this respect, the situations were akin to that in *Guido, supra*, where the Federal Court stated that, "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" [at paragraph 20].

[37] In the present case, although the term "many" is imprecise, the specific context in which it is used by Ms. Kerr implies sufficiently substantial sales volumes. At the very least, it would be difficult to conclude that *none* of the many sales in British Columbia and *none* of the many sales in the Atlantic Provinces were made in the normal course of trade. In my view, such an interpretation would be tantamount to a conclusion that the declarant was trying to mislead and I can see no basis for such a conclusion.

[38] Furthermore, this is not a case where the goods appear to have been sold for a purpose other than acquiring goodwill in those goods and profits from the sales. On the contrary, the exhibited instruction sheets suggest that the Owner's ventilation duct fittings were sold as a utilitarian product in an existing market. In addition, although there is no clear evidence that the instructions sheets were supplied together with such fittings, Ms. Kerr does state that they were supplied to "installers and purchasers" of the fittings. This suggests that the Owner deals directly with companies or individuals who install and repair ventilation duct equipment, and possibly also with purchasers who are not installers themselves, such as other vendors. Supplying installation instructions to such a client base for over twenty years would be consistent with *bona fide* commercial sales of the installed goods to multiple customers in an established market. As such, the instruction sheets tend to support the inference that the sales identified by Ms. Kerr were made in the normal course of trade.

[39] Consequently, in the particular circumstances of this case, I am of the view that nothing turns on the lack of precision or detail in the declarant's statements with respect to transfers during the relevant period. In any event, section 45 proceedings are limited in scope and not intended to try contested issues of fact or to provide an alternative to the usual *inter partes* attack on a trade-mark, as envisaged by section 57 of the Act [see *Lewis, supra*; *Meredith & Finlayson*

v Canada (Registrar of Trade Marks) (1991), 40 CPR (3d) 409 (FCA); and *United Grain Growers Ltd v Lang Michener*, 2001 FCA 66, 12 CPR (4th) 89].

[40] In summary, although the Owner does not provide precise sales figures or particulars regarding the manner of sales, I consider it reasonable to infer, on a fair reading of the evidence as a whole, that the Owner sold at least some ventilation duct fittings bearing the Mark in the normal course of trade during the relevant period. Although the facts in this respect are limited, there is more than a mere assertion of use.

DISPOSITION

[41] 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.

[42] 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**

No Hearing Held

AGENTS OF RECORD

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FOR THE REQUESTING PARTY