



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

Citation: 2018 TMOB 150

Date of Decision: 2018-12-03

IN THE MATTER OF A SECTION 45 PROCEEDING

FASKEN MARTINEAU DUMOULIN LLP

Requesting Party

and

HENAN REBECCA HAIR PRODUCTS, INC.

Registered Owner

TMA796,838 for Sleek with design

Registration

[1] At the request of FASKEN MARTINEAU DUMOULIN LLP (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 June 23, 2016 to HENAN REBECCA HAIR PRODUCTS, INC. (the Owner), the registered owner of registration No. TMA796,838 for the trade-mark Sleek with design reproduced below (the Mark).

The image shows the word 'Sleek' written in a cursive, handwritten-style font. The letters are dark and have a slight shadow or outline, giving it a three-dimensional appearance. The 'S' is particularly large and stylized, with a long, sweeping underline that extends under the rest of the word.

[2] The Mark is registered for use in association with the following goods:

False hair; Tresses of hair; Plaited hair; Toupees; False beards; Hair grips (slides); Hair curling papers; Hair ornaments; Lace for edgings.

[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 between June 23, 2013 and June 23, 2016.

[4] For the purposes of this decision, the relevant definition of “use” is that 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 in these proceedings 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* (1984), 80 CPR (2d) 228 (FCA)].

[6] In response to the Registrar’s notice, the Owner submitted the affidavit of Rong Jing, sales manager of the Owner, sworn in Xuchang, China on September 9, 2016, together with Exhibits 1 to 5 (the Jing affidavit). Both parties filed written representations; only the Requesting Party attended an oral hearing.

PRELIMINARY REMARK

[7] In response to the issue raised at the hearing by the Requesting Party regarding the presence in the Owner's written representations of certain factual assertions lacking in evidential support, I hereby confirm not having considered any additional elements or arguments not substantiated by the evidence on file.

THE OWNER'S EVIDENCE

[8] In the Jing affidavit, the Owner describes itself as "the first company in hair industry in China and one of the leading hair producing company [*sic*] in the world", and explains that its "main products are false hair in different forms and colours, like hair extensions, toupees; false beards, wigs."

[9] While it goes on to expressly concede non-use of the Mark in association with the remainder of the registered goods above-listed, the Owner states that the Mark "has been used in Canada during the relevant period [...] only in relation with 'false hair; tresses of hair'."

[10] The Owner explains that it "manufacturers [*sic*] and sells tresses of hair as hair extensions, which are a type of false hair." It further submits that "[s]ince the goods tresses of hair are actually a type of false hair, showing use in relation with tresses of hair should be enough to maintain the registration also for false hair."

[11] In support, the Owner produces the following exhibits attached to the Jing affidavit:

- Exhibit 1, which consists of an extract from the *Merriam-Webster* online dictionary for "tress";
- Exhibit 2, which consists of an extract from *The Free Dictionary* online dictionary for "false hair";
- Exhibit 3, which consists of a document titled "Sales Confirmation" described as "an invoice dated May 29, 2014 for tresses of hair sold to a Canadian customer [...] clearly stat[ing] that the products will be delivered in SLEEK's packaging". The Jing affidavit more specifically states that said invoice "is for hair extensions in the

form of tresses of different colours and sizes, all having the product code IN/HHL-1163A”;

- Exhibit 4, which consists of the first page only of what appears to be a 14-page undated printout from the Owner’s *Alibaba.com* webpage, that the Owner describes as confirming that the above “product code refers to hair extensions sold under the [Mark]”;
- Exhibit 5, which consists of a photograph of packaged and labeled weaves bearing the Mark, described as “representative of the manner in which all [of the Owner’s] false hair products are sold.”

ANALYSIS

[12] As indicated above, the Owner concedes non-use of the Mark in association with all of the registered goods except “false hair; tresses of hair”. As no special circumstances have been brought forth which would excuse the absence of use of the Mark with respect to the goods for which non-use is conceded, they will be deleted from the registration for the Mark.

[13] My analysis will therefore only focus on the registered goods described as “false hair; tresses of hair” (the Remaining Goods).

[14] The Requesting Party submits that the evidence filed by the Owner is vague, ambiguous and deficient in key aspects that are required to prove use of the Mark in Canada in association with the Remaining Goods during the relevant period.

[15] More particularly, the Requesting Party’s representations can be summarized as follows:

- The Sales Confirmation provided as Exhibit 3 to the Jing affidavit indicates that the sale is made “FOB China”; the document does not indicate a delivery address, nor a port of destination (in Canada or elsewhere), and does not contain any shipping information other than “SHIP VIA: SEA”;
- The Jing affidavit provides absolutely no evidence that the goods listed in the Sales Confirmation provided were ever delivered or received in Canada. Exhibit 3 and the Jing affidavit are totally silent on this subject. The mere fact that the goods listed in the Sales Confirmation were sold to a Canadian customer says nothing about the

transfer of property or possession of said goods ever happening in Canada. Indeed, a Canadian customer could very well decide to buy goods in China and have them shipped to the United States of America to resell them in that market.

- The case law dealing with invoices that provide that the sale is made “FOB foreign country or foreign port” as evidence of use in Canada is clear: it is only when the goods bearing the trade-mark are received in Canada that the sale made “FOB foreign country or foreign port” constitute use within the meaning of section 4(1) of the Act;
- There is not only no direct evidence of receipt or delivery of the goods listed in the Sales Confirmation, but also no indirect evidence that would allow the Registrar to make a logical inference of delivery or receipt of said goods in Canada. Indeed, the Jing affidavit contains:
 - No statement confirming the delivery, receipt or distribution in Canada of the goods listed in the Sales Confirmation; no proof of transfer of property nor any shipping document; nor any details about the chain of transfer of property of the goods from the Owner to the alleged Canadian customer identified in the Sales Confirmation;
 - No allegation to the effect that the goods were distributed in Canada during the relevant period;
 - No evidence of the volume of sales in Canada for any of the Remaining Goods bearing the Mark, nor regarding the identity of any other Canadian customer of the Owner except the one identified on the sole Sales Confirmation provided;
 - No evidence of catalogues or brochures being available in Canada to promote the Remaining Goods under the Mark;
- There are elements in the evidence that may tend to support that the USA is the more likely market for the goods, namely:
 - The printout of the Owner’s *Alibaba.com* webpage provided as Exhibit 4 to the Jing affidavit shows the price of the goods in US dollars;
 - The photograph of the packaging provided under Exhibit 5 to the Jing affidavit shows that only the English language is used on the label to name the product, which is contrary to the *Consumer Packaging and*

Labelling Act, RSC 1985, c C-38 and corresponding regulations that require that all information that has to appear on a label of a prepackaged product that is to be imported or sold in Canada shall be written in both French and English;

- The Jing affidavit is totally silent about the normal course of trade of the Owner;
- The Owner's argument that showing use in relation with "tresses of hair" should be enough to also maintain the registration for "false hair" is ill-founded in law.

[16] The Owner's representations in response can be summarized as follows:

- The buyer's address in Canada is clearly indicated in the evidence. There is absolutely no indication in the Sales Confirmation that the goods were delivered to another address or country, as insinuated by the Requesting Party. Therefore, it is only logical to conclude that the goods were delivered to the buyer in Canada;
- The fact that the Owner's *Alibaba.com* webpage shows prices in US dollars and that the image of the packaging provided in Exhibit 5 is only in English are completely irrelevant in reference to the place of destination of the goods. There are no Canadian laws imposing for the products to be traded in Canadian dollars only and there is no such requirement in the Act. Furthermore, with respect to the language appearing on the packaging, compliance with statutes other than the Act is not a relevant consideration in a section 45 proceeding. Regardless, a decision in this regard cannot be reached only by examining the front label of the product as the Requesting Party does;
- There is nothing to indicate that the sale submitted was not authentic or that it should be viewed as a token sale. The Act does not impose any requirements for repeated, regular or continuous use. All the Owner had to do is establish a *prima facie* case of use;
- There is no ambiguity in the evidence provided, nor is it susceptible of more than one interpretation. The Owner has not merely asserted that the Mark has been used, but provided clear evidence from which can easily be concluded that the Mark has been used in Canada during the relevant period;

- There is no requirement in the Act that an application for registration of a trade-mark cannot have overlapping goods or services. As shown in the Jing affidavit, tresses of hair is actually false hair, which is a generic term, the two goods not being related, but actually equivalent.

[17] Although I endeavored to reflect above the parties' main representations, I do not believe it is necessary to address each of them specifically.

[18] As stressed by the Requesting Party, the case law postulates that goods have to be *received* in Canada in order for a sale made "FOB foreign country/foreign port" to be deemed as use within the meaning of section 4(1) of the Act. It is only when the goods bearing the trade-mark are received in Canada that transfer of actual possession of the goods occurs [*Manhattan Industries Ind v Princeton Manufacturing Ltd* (1971), 4 CPR (2d) 6 (FCTD); and *Julia Wine Inc v Stentiford Pty Ltd*, 2016 TMOB 6].

[19] In this case, the Sales Confirmation shows a sale of 350 weaves for a total amount of \$11,795 USD is dated within the relevant period and identifies, amongst other information, the Owner as the seller, as well as a buyer for the listed goods with an address in Vancouver, British Columbia. The document provides for sea shipping and also contains before shipment payment requirements and a shipping date indication reading "shipped during May.2014". The Jing affidavit contains a statement that this document reflects a sale of "tresses of hair" under the Mark to a Canadian customer and one providing a cross-reference for the product code. It also introduces a copy of a packaged and labeled product picture showing the Mark.

[20] In considering the evidence as a whole, I agree with the Owner that there are multiple elements suggesting that a transaction occurred during the relevant period as a result of which at least a portion of the Owner's Remaining Goods were sold to a Canadian customer. However, while I am ready to accept that the Owner shipped goods bearing the Mark outside of China during the relevant period, it is nonetheless unclear if the said goods were actually received in Canada by their buyer. Without necessarily subscribing to its theory that these goods were bought by a Canadian customer in China only to be shipped for resale in the United States, I agree with the Requesting Party's contention that there is a general lack of indicia allowing me to reasonably conclude that transfer of the goods occurred in Canada during the relevant period in

the normal course of trade. Put another way, while I agree with the Owner that there is no indication in the Sales Confirmation that the goods were delivered to another address or country, it does not necessarily follow that “it is only logical to conclude that the goods were delivered to the buyer in Canada.”

[21] As stressed by the Requesting Party, the Jing affidavit provides no direct evidence of receipt or delivery of the goods listed in the Sales Confirmation, but also no indirect evidence that would allow me to make a logical inference of delivery or receipt of said goods in Canada.

[22] Indeed, although I do not consider the Owner’s failure to provide other invoices, catalogues, promotional brochures or other specific documents an issue in itself (no particular kind of evidence or over-abundance of same being required in response to a section 45 notice), additional documents, information or clear factual statements relative to the Remaining Goods’ receipt or delivery in Canada would have proven useful in shedding light on this issue.

[23] As stressed by the Requesting Party, the Owner’s evidence is also silent about its normal course of trade. Indeed, aside from the statements that the Owner “is the first company in hair industry in China and one of the leading hair producing company [*sic*] in the world” and that it “manufacturers [*sic*] and sells tresses of hair as hair extensions”, the Jing affidavit is devoid of further information relative to the nature or extent of the Owner’s business in Canada. As discussed above, no details are provided regarding the context of the single sale submitted into evidence. For example, the Jing affidavit is silent as to whether it was made in the normal course of trade or as to whether it is, in any way, representative of same. The *Alibaba.com* website excerpt is also unhelpful in this regard if not only because nothing in the evidence indicates that Canadians made purchases of the goods referred to therein through the website, during the relevant period or otherwise.

[24] While I agree with the Owner that there is nothing to indicate that the sale submitted was not authentic or that it should be viewed as a token sale, the fact remains that the Owner’s evidence lacks sufficient facts allowing me to reasonably draw any inferences regarding the framework in which such sale occurred. The Registrar is not expected to make assumptions and to know the nature of the business of any trade-mark owner or about the practices and experiences in the ordinary course of such business [*SC Johnson & Son, Inc v Registrar of Trade*

Marks (1981), 55 CPR (2d) 34 (FCTD)]. A trade-mark owner choosing to rely on a single sale is required to provide sufficient information about its context in order to avoid creating doubts that could be construed against him [*Guido Berlucchi & C Srl v Brouillette Kosie Prince*, 2007 FC 245].

[25] As the Owner has failed to evidence transfers of the Remaining Goods in Canada in the normal course of trade, I cannot find that there was use of the Mark in association with same during the relevant period in Canada within the meaning of sections 4 and 45 of the Act. Furthermore, as indicated above, the Owner has provided no evidence of special circumstances excusing the absence of such use.

[26] In view of the foregoing, resolving the issue of whether use in relation with the goods described as “tresses of hair” would be sufficient to also maintain the registration for “false hair” is unnecessary.

DISPOSITION

[27] Pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be expunged in compliance with the provisions of section 45 of the Act.

Annie Robitaille
Member
Trade-marks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE 2018-10-24

APPEARANCES

No one appearing

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FOR THE REQUESTING PARTY

AGENTS OF RECORD

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