



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

Citation: 2019 TMOB 6

Date of Decision: 2019-01-24

IN THE MATTER OF A SECTION 45 PROCEEDING

Protein 2 O LLC

Requesting Party

and

Inutrition Inc.

Registered Owner

TMA800,391 for PROTEIN 2 GO

Registration

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA800,391 for the trade-mark PROTEIN 2 GO (the Mark), owned by Inutrition Inc.

[2] The Mark is currently registered in association with the goods:

(1) Nutritionally fortified foods, namely, nutritional supplements in the form of food bars, cookies, muffins, powders, drink mixes, gels, tablets, capsules and beverages all for promoting energy, good health and weight loss.

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

THE PROCEEDINGS

[4] On August 19, 2016, the Registrar of Trade-marks sent a notice under section 45 of the *Trade-marks Act* RSC 1985, c T-13 (the Act) to Innutrition Inc. (the Owner). The notice was sent at the request of Protein 2 O LLC (the Requesting Party).

[5] 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 and/or services listed on 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 use since that date. In this case, the relevant period for showing use is any time between August 19, 2013 and August 19, 2016.

[6] The relevant definition of use 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.

[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 removing “deadwood” from the register. As such, the evidentiary threshold that the registered owner must meet is quite low [*Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270] and “evidentiary overkill” is not required [see *Union Electric Supply Co v Canada (Registrar of Trade Marks)* (1982), 63 CPR (2d) 56 (FCTD)]. Nevertheless, sufficient facts must still be provided to allow the Registrar to conclude that the trade-mark was used in association with each of the registered goods.

[8] In the absence of use as defined above, pursuant to section 45(3) of the Act, a trade-mark is liable to be expunged, unless the absence of use is due to special circumstances.

[9] In response to the Registrar’s notice, the Owner furnished the affidavit of Robert DeSimone, the President of the Owner, sworn March 17, 2017, together with Exhibits 1 to 7.

[10] Only the Requesting Party filed written representations. An oral hearing was not requested.

THE EVIDENCE

[11] Mr. DeSimone states that, on February 22, 2013, the Owner entered into a confidential agreement of purchase and sale with BDO Canada Limited, the privately-appointed receiver of the assets of the former owner of the Mark, Nutrimix Laboratories, Inc. He attests that the purchase and sale agreement included the registration of the Mark, but that the Owner did not otherwise receive any records evidencing the former owner's use of the Mark.

[12] Mr. DeSimone explains that on March 19, 2013, the Ontario Superior Court approved the Owner's purchase of the registration of the Mark, which was then completed on March 27, 2013. The assignment was subsequently recorded with the Trade-marks Office on November 29, 2013. He attaches as Exhibits 1, 2, and 3 to his affidavit respectively, registry information, the court order approving the purchase, and the receiver's certificate.

[13] Mr. DeSimone attests that his company is in the business of developing, producing, promoting, and selling food supplements such as protein bars, powders, tablets, capsules, and beverages. He attests that the Owner employs a product development firm called Pro-Amino International, Inc. to develop, test, and refine recipes for new nutritional and dietary food supplements, which, in his experience, can take up to two to three years. He explains that, once a recipe is completed and approved by the Owner, Pro-Amino manufactures the new product for distribution and sale by the Owner under its own private labels. He attests that the packaging and graphic design for the new product is done by the Owner's in-house marketing team. He attests that the Owner distributes the new packaged product to its network of distributors, who in turn sell the packaged product to retail stores.

[14] Mr. DeSimone attests that, as a new entrant in the nutritional and dietary food supplement industry, the Owner is taking active steps to relaunch the registered goods in association with the Mark, including working with Pro-Amino since as early as February 4, 2015, to develop new recipes for goods to be sold. He attaches, as Exhibit 4 to his affidavit, an email exchange dated December 21, 2015 between the Owner and a Pro-Amino employee, in which specifications for a

food bar are discussed. A photo attachment from this email exchange, depicting a food bar in unmarked packaging, is attached as Exhibit 5.

[15] Mr. DeSimone attaches as Exhibit 6 an image of proposed food bar packaging designed by the Owner, dated February 9, 2016. The Mark is prominently displayed on the packaging shown in this image.

[16] Mr. DeSimone attests that the Owner has spent tens of thousands of dollars during the relevant period in the course of developing new recipes, packaging, and marketing for the goods, and has been meeting retailers to obtain feedback on the goods. He estimates that the Owner is on schedule to begin selling goods bearing the Mark in Canada in the second quarter of 2018. He attaches, as Exhibit 7 to his affidavit, confirmation of the successful registration of the domain name *Protein2Go.ca*, which he attests will go live when the Owner relaunches the PROTEIN 2 GO brand in the second quarter of 2018.

ANALYSIS AND REASONS FOR DECISION

[17] The Owner makes no claim to use of the Mark in association with the registered goods during the relevant period. As previously indicated, in the absence of evidence of use, pursuant to section 45(3) of the Act, a trade-mark is liable to be expunged, unless the absence of use is due to special circumstances. Therefore, the issue in this case is whether special circumstances existed to excuse non-use of the Mark during the relevant period.

[18] Generally, a determination of whether there are special circumstances that excuse non-use involves consideration of three criteria, as set out in *Registrar of Trade-marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA). The first is the length of time during which the trade-mark has not been in use, the second is whether the reasons for non-use were beyond the control of the registered owner, and the third is whether there exists a serious intention to shortly resume use. Furthermore, with respect to the second criterion, circumstances of non-use must be those which do not exist in the majority of cases involving non-use or, likewise, must be “circumstances that are unusual, uncommon or exceptional” [see *John Labatt Ltd v Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD)].

[19] The decision in *Scott Paper Ltd v Smart & Biggar*, 2008 FCA 129, 65 CPR (4th) 303, offers further clarification with respect to the interpretation of the second criterion, with the determination that this aspect of the test must be satisfied in order for there to be a finding of special circumstances excusing non-use of a trade-mark. In other words, the other two factors are relevant but, considered in isolation, cannot constitute special circumstances that excuse non-use.

[20] With respect to the first criterion, generally, a registered owner must state or otherwise provide evidence as to when the trade-mark was last used. When a date of last use is not provided, as in the present case, the date of registration or the date of assignment of the trade-mark to the current owner will generally be used [*Cassels Brock & Blackwell LLP v Montorsi Francesco E Figli - SpA* (2004), 35 CPR (4th) 35 (FC); *Sim & McBurney v Hugo Boss AG* (1996), 67 CPR (3d) 269 (TMOB); *GPS (UK) Ltd v Rainbow Jean Co* (1994), 58 CPR (3d) 535 (TMOB)]. As such, for purposes of this analysis, the date of last use is the date the purchase of the subject registration was completed, namely, March 27, 2013, being approximately five months prior to the start of the relevant period.

[21] With respect to the second criterion of the *Harris Knitting* test, the Requesting Party submits that there were no circumstances beyond the control of the Owner and certainly none that could be considered unusual, uncommon or exceptional. The reasons for non-use in the present case, as put forward by Mr. DeSimone, are that the Owner acquired the Mark shortly before the relevant period and has had to make the necessary preparations to enter the market. In this regard, Mr. DeSimone attests that, in his experience, it may take upwards of two to three years to develop, test and perfect a new recipe for a new nutritional or dietary food supplement.

[22] With respect to the third criterion, the Requesting Party submits that there is very little evidence supporting the statements made by Mr. DeSimone in his affidavit regarding steps that the Owner is taking to relaunch the PROTEIN 2 GO brand.

[23] It is reasonable to assume that a new owner would need some time to make arrangements concerning the use of a newly acquired trade-mark [see *Hudson's Bay Co v Bombay & Co*, 2013 CarswellNat 3556; *Baker & McKenzie v Garfield's Fashions Ltd* (1993), 52 CPR (3d) 274 (TMOB)]. This is consistent with the apparent legislative intent that, generally, there is a maximum start-up time of three years for a registrant to commence serious commercial use in

Canada following registration of its trade-mark [see *2001237 Ontario Ltd v Footstar Corp*, 2003 CarswellNat 6253 (TMOB)]. In this case, however, the period of non-use exceeds this maximum start-up time by approximately two years. To explain, Mr. DeSimone indicates that the Owner has been working with Pro-Amino since as early as February 4, 2015, to develop new recipes for goods to be used in association with the Mark, and estimates that the Owner is on schedule to commence use of the Mark in association with goods in 2018. This estimate indicates a period of non-use of the Mark lasting approximately five years in total, including a gap between March 27, 2013, and February 4, 2015, for which absolutely no information or explanation is provided.

[24] Moreover, as in *Footstar*, the affiant makes only an unsubstantiated and speculative estimate that use of the Mark is due to commence shortly, while failing to advise of anything more concrete than meetings with potential retailers discuss the goods and solicit feedback. In addition, I note that the Owner provides evidence of steps to resume use with respect to only one of the registered goods, namely, food bars.

[25] While I recognize that the evidence provided by Mr. DeSimone shows that some steps have been taken to commence use of the Mark in association with food bars, I am unable to conclude that the circumstances described in Mr. DeSimone's affidavit are so "unusual, uncommon or exceptional" that they meet the standard of special circumstances as articulated in *John Labatt, supra*, particularly in light of the nearly two-year period of unexplained non-use. I accept Mr. DeSimone's statement that it takes approximately two to three years to bring a product to market, but there is no evidence before me which permits me to conclude that this process was started prior to February 4, 2015, or that this delay was in any way beyond the Owner's control. Moreover, even if I accept that the Owner's evidence shows a serious intention to resume use, the law is clear that such intention cannot amount to special circumstances on its own, as articulated by the Federal Court of Appeal in *Scott Paper, supra*:

[28] It is apparent from this analysis that a registrant's intention to resume use of a mark which has been absent from the marketplace, even when steps have been taken to actualize those plans, cannot amount to special circumstances which excuse the non-use of the trade-mark. The plans for future use do not explain the period of non-use and therefore, cannot amount to special circumstances. No reasonable construction of the words used in section 45 could lead to that conclusion.

[26] In view of the foregoing, I cannot conclude that the Owner has demonstrated special circumstances that would excuse the absence of use of the Mark during the relevant period.

DISPOSITION

[27] Accordingly, 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.

Kathryn Barnett
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

Smart & Biggar

FOR THE REGISTERED OWNER

Theo Yates

FOR THE REQUESTING PARTY