

O P I C



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

Citation: 2019 TMOB 15

Date of Decision: 2019-02-25

IN THE MATTER OF A SECTION 45 PROCEEDING

Gowling WLG (Canada) LLP

Requesting Party

and

Buca, Inc.

Registered Owner

TMA843,560 for BUCA DI BEPPO

Registration

INTRODUCTION

[1] At the request of Gowling WLG (Canada) 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 April 20, 2016 to Buca, Inc. (the Owner), the registered owner of registration No. TMA843,560 for the trade-mark BUCA DI BEPPO (the Mark).

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

Frozen gelato, sorbet and ice cream and frozen desserts made from gelato, sorbet and ice cream, namely, cakes, pies, ice cream cones, gelato cones, frozen dairy desserts, frozen confections, for consumption on or off the premises.

[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 April 20, 2013 to April 20, 2016.

[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 Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[6] In response to the Registrar's notice, the Owner furnished the affidavit of Thomas Avallone, President of the Owner, sworn on December 6, 2016 in Orlando, Florida. Both parties filed written representations and were represented at a hearing.

THE OWNER'S EVIDENCE

[7] In his affidavit, Mr. Avallone states that the BUCA DI BEPPO brand is associated with a restaurant chain specializing in Italian-American food and that the Mark is used "in many jurisdictions" in relation to such restaurant services as well as "food/dessert related products" (para 3).

[8] Mr. Avallone indicates that, due to turnover in the Owner's legal and marketing department, it does not have "a comprehensive file outlining the use of the brand" (para 4).

[9] Rather, Mr. Avallone states that the individual responsible for marketing the registered goods in Canada resigned from the Owner's parent company in April 2016 (para 5). Mr. Avallone further provides that the responsible individual "made attempts to arrange to have packaging developed for the Goods, to sell in Canada within the Relevant Period", and he provides an image of the Owner's ice cream packaging that "is consistent in every jurisdiction" (para 5). The Mark appears on the packaging.

[10] Mr. Avallone further explains that the Owner has had further turnover with individuals in its trademarks department who "are responsible for ensuring our marks are being used in different jurisdictions, including in Canada". He specifies that one individual left in 2016 and that another "is presently on sick leave and could not assist in providing evidence in these proceedings" (para 6).

[11] Due to this turnover in personnel, Mr. Avallone states that "we have had difficulties in obtaining and preparing evidence and require a further extension to do so" (para 7).

[12] He concludes his affidavit by stating that the Mark is "very important" to the Owner, referencing its opposition to five Canadian trade-mark applications filed by The King Street Company Inc.

ANALYSIS

[13] First, with respect to the Owner's request for an extension of time referenced in Mr. Avallone's affidavit, I note that on December 20, 2016, the Owner was granted an extension of time until February 20, 2017 to file additional evidence. This was in addition to the benchmark extension of time of four months, until November 20, 2016, which was granted by the Registrar on July 19, 2016. On February 21, 2017, the Owner confirmed that it would not be filing any additional evidence at that time.

[14] In its written representations, the Requesting Party notes that the Owner's evidence fails to provide: i) any evidence that the Mark was used in Canada during the relevant period; ii) any explanation attempting to excuse the non-use; and iii) any statement or evidence as to use of the Mark commencing or resuming in Canada (para 1).

[15] Nonetheless, in its written representations, the Owner submits that Mr. Avallone's evidence establishes that: i) packaging bearing the Mark was developed during the relevant period to sell the registered goods in Canada; ii) due to circumstances beyond the Owner's control, Canada-specific evidence could not be provided as a result of the departures and illnesses of members of the Owner's team; and iii) the Mark is important to the Owner, as evidenced by its opposition to various BUCA trade-marks by The King Street Company Inc. (para 1).

[16] The Owner further submits that "the evidence establishes that packaging for sale in Canada depicting the Mark was produced during the Relevant Period" (para 12). However, Mr. Avallone's affidavit is rather more equivocal on this point, as he merely states that it was his understanding that the responsible individual "made attempts to arrange to have packaging developed for the Goods". Issues of hearsay aside, the phrasing "attempts to arrange to have packaging developed" falls short of establishing that the Owner even produced such packaging. In any event, there is no evidence of transfers of any of the registered goods in Canada by the Owner during the relevant period or otherwise.

[17] Accordingly, nothing in the evidence allows me to conclude that the Mark was used in Canada in accordance with sections 4 and 45 of the Act.

[18] In the absence of evidence of use of the Mark during the relevant period, the issue is whether, pursuant to section 45(3) of the Act, special circumstances existed to excuse such non-use.

[19] The general rule is that absence of use should result in expungement, but there may be an exception where the absence of use is due to "special circumstances" [*Scott Paper Ltd v Smart & Biggar*, 2008 FCA 129, 65 CPR (4th) 303].

[20] To determine whether special circumstances have been demonstrated, the Registrar must first determine *why* the trade-mark was not used during the relevant period. Second, the Registrar must determine whether those reasons for non-use constitute *special* circumstances [*Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)]. Special circumstances

means circumstances or reasons that are unusual, uncommon, or exceptional [*John Labatt Ltd v Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD)].

[21] If the Registrar determines that the reasons for non-use constitute special circumstances, the Registrar must still decide whether such circumstances *excuse* the period of non-use. This determination involves the consideration of three criteria: (i) the length of time during which the trade-mark has not been in use; (ii) whether the reasons for non-use were beyond the control of the registered owner; and (iii) whether there exists a serious intention to shortly resume use [per *Harris Knitting Mills, supra*].

[22] The intention to shortly resume use must be substantiated by “a sufficient factual basis” [*NTD Apparel Inc v Ryan*, 2003 FCT 780, 27 CPR (4th) 73 at para 26; see also *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD)].

[23] All three criteria are relevant, but satisfying the second criterion is essential for a finding of special circumstances *excusing* non-use [per *Scott Paper, supra*].

[24] In this case, Mr. Avallone’s affidavit speaks to the inability of the Owner to gather evidence in response to the section 45 notice. As noted by the Requesting Party, the evidence does not speak to the reasons for non-use of the Mark in Canada during the relevant period. Although the Owner’s written representations suggest that the departures and illnesses of personnel were beyond the Owner’s control (para 17), this improperly conflates the Owner’s inability to collect the evidence necessary to respond to the section 45 notice with the requirement, at a minimum, to articulate the reasons for non-use of the Mark during the relevant period.

[25] In this respect, Mr. Avallone’s affidavit does not establish that the departures and illnesses were the reason for non-use of the Mark during the relevant period, as a fair reading of his affidavit indicates that the turnover of personnel occurred *after* the issuance of the section 45 notice in April 2016. Even a generous reading of the affidavit would indicate that, at best, the departure of the responsible individual occurred late in the relevant period; it does not explain the absence of use of the Mark for the entirety of the relevant period, if at all.

[26] As noted by the Federal Court, the special circumstances which excuse the absence of use must be the circumstances to which the absence of use is due (*Scott Paper, supra*, para 23). In this case, it is at best not clear whether the Owner's personnel issues had anything to do with the absence of use of the Mark during the relevant period; therefore, those issues cannot constitute special circumstances.

[27] As the Owner's evidence does not attempt to provide an explanation, I am unable to determine *why* the trade-mark was not in use during the relevant period.

[28] Accordingly, I cannot conclude that the reasons for non-use of the Mark in Canada during the relevant period constitute special circumstances.

[29] As such, it is not necessary to consider whether the circumstances *excuse* the period of non-use. Suffice to say, Mr. Avallone's reference to "attempts" to develop packaging for the goods in Canada and the Owner's launching of opposition proceedings cannot constitute "a sufficient factual basis" from which to conclude that the Owner has a serious intent to shortly resume or commence use of the Mark in Canada [per *NTD Apparel, supra*].

[30] In this respect, I note the following observation from the Federal Court in *Plough, supra*, at paragraph 10:

There is no room for a dog in the manger attitude on the part of registered owners who may wish to hold on to a registration notwithstanding that the trade mark is no longer in use at all or not in use with respect to some of the wares in respect of which the mark is registered.

DISPOSITION

[31] In view of all of the foregoing, 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 expunged.

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 2019-02-20

APPEARANCES

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For the Requesting Party

AGENTS OF RECORD

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For the Requesting Party