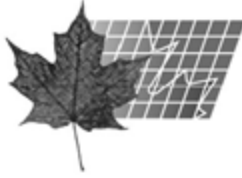


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LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADE-MARKS

**Citation: 2019 TMOB 23**

**Date of Decision: 2019-03-21**

**IN THE MATTER OF SECTION 45 PROCEEDINGS**

**MLT Aikins LLP**

**Requesting Party**

**and**

**Shafer-Haggart Ltd.**

**Registered Owner**

**TMA254,580 for FOUR STAR**

**Registrations**

**TMA367,760 for FOUR STAR &**

**Design**

[1] This is a decision involving summary expungement proceedings with respect to registration Nos. TMA254,580 and TMA367,760, respectively for the marks FOUR STAR and FOUR STAR & Design, shown below (the Marks), owned by Shafer-Haggart Ltd.



[2] The Marks are both registered in association with the following goods:

Fresh, frozen, and canned fruits, vegetables, fish, meats, and mushrooms.

[3] For the reasons that follow, I conclude that the registrations ought to be maintained with respect to “canned vegetables” only.

#### THE PROCEEDINGS

[4] On March 22, 2017, the Registrar of Trade-marks sent notices under section 45 of the *Trade-marks Act*, RSC 1985, c T-13 (the Act) to Shafer-Haggart Ltd. (the Owner). The notices were sent at the request of MLT Aikins LLP (the Requesting Party).

[5] The notices required the Owner to furnish evidence showing that it had used the Marks in Canada, at any time between March 22, 2014 and March 22, 2017, in association with each of the goods specified in the registrations. If the Marks had not been so used, the Owner was required to furnish evidence providing the date(s) when the Marks were last in use and the reasons for the absence of use since that date.

[6] The relevant definition of use in the present case 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 has been well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for clearing the register of “deadwood”. As such, the evidentiary threshold that the registered owner must meet is quite low [see *Woods Canada Ltd v Lang Michener et al* (1996), 71 CPR (3d) 477 (FCTD)] 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 goods specified in the registration [see *Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448, 31 CPR (4th) 270 and *John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. 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)].

[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 that excuse the absence of use.

[9] In response to the Registrar's notices, the Owner furnished identical affidavits of Brian Dougall, the Chief Operating Officer of the Owner, sworn October 20, 2017, together with Exhibits A to G.

[10] Both parties filed written representations. As with the evidence, the written representations with respect to each proceeding are substantially identical. Neither party requested an oral hearing.

#### The Evidence

[11] Mr. Dougall attests that the Owner is a trader in food products with international scope who imports goods in response to customer orders for which they have successfully bid. He explains that, upon import, the Owner applies labels to goods bearing the Marks and sells such goods to customers in Canada.

[12] Mr. Dougall states that the Owner has used the Marks in Canada in association with "canned vegetables" during the relevant period. In support, he provides as Exhibits B and C to his affidavit respectively, representative invoices showing sales of such purported goods and a copy of their packaging. Exhibit B contains twenty-nine invoices, dated between April 4, 2014 and June 8, 2015, identifying "FOUR STAR" as a brand of beans with tomato sauce. Each invoice shows quantities sold varying from one to over 600 cases of twenty-four 398ml cans sold at a time. Exhibit C consists of a representative copy of packaging/labelling bearing the FOUR STAR & Design mark, below which appears text indicating the contents are beans in tomato sauce.

[13] With respect to the remaining registered goods, Mr. Dougall states that the lack of use of the Marks during the relevant period in association with goods other than "canned vegetables" was due to circumstances beyond the Owner's control. In particular, Mr. Dougall explains that

the Owner did not receive suitable orders for the goods other than “canned vegetables” during the relevant period.

[14] Lastly, Mr. Dougall attests that the Owner maintains a serious intention to resume and continue use of the Marks in association with all of the registered goods. In support, he provides, as Exhibits D to G, invoices and packaging for the sale of canned mushrooms and canned fruit dated just prior to and after the relevant period.

#### ANALYSIS AND REASONS FOR DECISION

[15] In its written representations, the Requesting Party submits that the Owner only provided evidence for canned baked beans, and as such, the Owner has not provided any evidence to show use of the Marks with respect to any “fresh” or “frozen” goods, nor with canned fruits, fish, meats, and mushrooms during the relevant period [citing *John Labatt, supra*, re: requirement to show use in association with each of the registered goods].

[16] Furthermore, the Requesting Party submits that the evidence pertaining to canned baked beans in Exhibits B and C does not constitute evidence of use of the Marks in association with “canned vegetables”. Rather, the Requesting Party submits that “technically white beans... are legumes (a form of protein) and not vegetables.”

[17] However, as the Owner correctly notes, “one is not to be astutely meticulous when dealing with language used in a statement of wares” [*Levi Strauss & Co v Canada (Registrar of Trade-marks)*, 2006 FC 654, 51 CPR (4th) 434]. Given this principle, in conjunction with the purpose of section 45 proceedings and Mr. McDougall’s assertion of use, I find that canned beans in tomato sauce fall within the scope or are encompassed by the goods “canned vegetables” [see *Countryside Cannery Co v Canada (Registrar of Trade Marks)* (1981), 55 CPR (2d) 25 (FC)].

[18] In addition, the Requesting Party submits that the Owner did not provide sufficient evidence to show there was a transfer, possession, or sale of the goods as the invoices provided are inadequate and no sales data was provided [citing *Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483. In particular, the Requesting Party submits that the

exhibited invoices are inadequate because information is missing related to the purchaser, where the goods were shipped, and the amount charged. As such, the Requesting Party submits, the invoices do not provide evidence of a transfer of the goods or possession of the goods in Canada nor of payment received [citing *Cordon Blue International Ltd v Renaud Cointreau & Cie* (2000), 10 CPR (4th) 367 at para 12 (FC)]. The Requesting Party submits that this ambiguity should be construed against the Owner [per *Plough, supra*].

[19] The Owner submits that there is no particular type of evidence that must be provided and that the evidence must be viewed as a whole [also citing *Lewis Thomson, supra*]. Indeed, the Court held in *Lewis Thomson* that a registered owner need only “establish a prima facie case of use and that that is all that is expected of him,” and “it is not considered that the facts of use are to be infinitely contestable.” In the present case, I find it reasonable to accept, based on Mr. Dougall’s sworn statements, that the transactions noted in the Exhibit B invoices took place in Canada. Furthermore, distinguishable from *Cordon Bleu, supra*, I note that there are ample invoices with dates spanning more than one year during the relevant period, many of which reflect the sale of large quantities of FOUR STAR canned beans in tomato sauce.

[20] Lastly, with respect to “canned vegetables”, the Requesting Party submits that there is no indication that the Exhibit C labels were affixed to a can or any other type of packaging of goods sold into the marketplace. However, Mr. Dougall clearly states in his affidavit that the label was used on packaging for canned vegetables during the relevant period and that the Owner’s normal course of trade involves the application of labels bearing the Mark on goods sold to customers in Canada.

[21] Having regard to the foregoing, I am satisfied that the Owner has provided sufficient evidence to establish a *prima facie* case of use of the Marks in Canada in association with canned vegetables during the relevant period.

### **Special Circumstances**

[22] With respect to the registered goods other than canned vegetables (the remaining goods), Mr. Dougall attempts to establish special circumstances to excuse the absence of use of the Marks during the relevant period.

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

[24] 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, supra*].

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

[26] 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*].

[27] In this case, the Owner submits that they have not used the Marks due to circumstances beyond its control. In particular, the Owner notes Mr. Dougall’s statements that the Owner imports goods in response to customer orders and that the Owner has not received suitable orders for the remaining goods during the relevant period.

[28] However, the Requesting Party correctly notes that, generally, unfavourable market conditions are not the sort of uncommon, unusual or exceptional reasons for non-use that constitute special circumstances [*Harris Knitting, supra*; and *John Labatt, supra*]. Indeed, an unfavourable market for the goods or a lack of orders for goods, such as in the present case, has been held to be insufficient to constitute special circumstances excusing non-use [see *Garrett v Langguth Cosmetic GMBH* (1991), 39 CPR (3d) 572 (TMOB)].

[29] Accordingly, I am not satisfied that the reasons for non-use of the Marks in association with the remaining goods in Canada during the relevant period constitute special circumstances, such that non-use of the Marks ought to be excused.

DISPOSITION

[30] In view of the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, the registrations will be maintained solely with respect to the goods “canned vegetables”, in compliance with the provisions of section 45 of the Act.

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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**

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**HEARING DATE:** No hearing held.

**AGENTS OF RECORD**

Norton Rose Fulbright Canada LLP/S.E.N.C.R.L., S.R.L.      FOR THE REGISTERED OWNER

MLT Aikins LLP      FOR THE REQUESTING PARTY