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LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADEMARKS

**Citation: 2019 TMOB 92**

**Date of Decision: 2019-08-28**

**IN THE MATTER OF A SECTION 45 PROCEEDING**

**Tamarack Bay Group Holdings Inc.**

**Requesting Party**

**And**

**James A. Murray**

**Registered Owner**

**TMA660,662 for Railway Blues Festival**

**Registration**

[1] This is a decision involving a summary expungement proceeding under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration No. TMA660,662 for the trademark Railway Blues Festival (the Mark), owned by James A. Murray.

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

**GOODS**

Clothing namely t-shirts, golf shirts, denim shirts, sweatshirts, sweatpants, jackets, athletic shorts, walking shorts, jogging shorts, boxer shorts, sweaters; baseball caps, visors, knit headwear namely toques; coffee mugs, namely plastic, ceramic and glass mugs; beer mugs; steins; lapel pins, namely metal pewter, cloisonné and plastic pins; posters; banners; pennants; key chains; decals; stickers; crests, embroidered and silk-screen; watches namely pendant watches; publications namely manuals, guides, directories, newsletters, brochures, magazines, pamphlets, flyers.

**SERVICES**

Produce annual festivals featuring a variety of activities namely; live music concerts, art exhibitions, sporting events and flea markets; To raise funds for railway heritage projects

namely; renovation and restoration of railway stations and maintenance buildings; building and maintenance of railway museums.

[3] Summary expungement or “section 45” proceedings are a mechanism under Canadian trademark law by which the register is cleared of trademarks that have fallen into disuse. This is consistent with the longstanding principle in Canadian trademark law that an owner’s exclusive right to a trademark is contingent on the owner actually using that trademark. In section 45 proceedings, an owner must show use within the three-year period immediately preceding the date the proceeding is initiated.

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

#### INTRODUCTION

[5] At the request of Tamarack Bay Group Holdings Inc. (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on September 14, 2017, to James A. Murray (the Owner), the registered owner of the Mark.

[6] The notice required the Owner to show whether the trademark has been used in Canada in association with each of the goods and services 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 September 14, 2014 to September 14, 2017.

[7] “Use” of a trademark must fall within the parameters set out in the Act. The relevant definitions of use for goods and services are set out in section 4 of the Act as follows:

4(1) A trademark 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.

4(2) A trademark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[8] Concerning services, the presentation of the trademark in the advertisement of the services is sufficient to satisfy the requirements of section 4(2) of the Act, from the time the

owner of the trademark offers and is ready to perform the services in Canada [*Wenward (Canada) Ltd v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)].

[9] It is well established that bare statements that a trademark is in 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 trademark in association with *each* of the goods and services specified in the registration during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[10] On November 10, 2017, in response to the Registrar's notice, the Owner furnished his own affidavit, affirmed on December 12, 2017. Both parties filed written representations. No oral hearing was requested.

[11] As a preliminary matter, I note that, in its written representations, the Owner includes and refers to a number of facts not in evidence. Pursuant to sections 45(1) and (2) of the Act, I can only consider evidence submitted in the form of an affidavit or statutory declaration filed within three months of the date of the Registrar's notice, plus any extensions granted under section 47. The facts referred to in the Owner's written representations are not in the form of an affidavit or statutory declaration and were filed outside of the prescribed time; accordingly, I cannot consider these facts [*Ridout & Maybee LLP v Encore Marketing International Inc* (2009), 72 CPR (4th) 204 (TMOB)].

#### THE OWNER'S EVIDENCE

[12] In his affidavit, the Owner explains that his mission is to support efforts to conserve historic railway sites. He states that the Mark has been in continuous use in connection with the registered goods and services, and that Railway Blues Festival events were held in Innisfil, Ontario, in 2010 and 2011. He states that, since that time, there has been "Marketing of the mark" generally, as well as "Online marketing in connection with use of the Mark on the

registered goods and services”, through his promotional website; I note, however, that no screenshots or other evidence of the contents of this website is provided.

[13] Further, he attests that there have been “continuing discussions with owners and operators of historical railway museum properties and steam engine roundhouses across Canada”. In this respect, he states that he entered into a licence agreement on September 30, 2016, with the Popular Arts Preservation Society (PAPS), a non-profit organization based in British Columbia, for use of the Mark for five years in connection with the West Coast Railway Blues Festival in the Kettle Valley Railway area of British Columbia. He states that the PAPS had booked the Boundary Museum in Grand Forks, B.C., to hold the festival in July 2017, but due to late unavailability of the headlining performer, the event was rescheduled to July 2018. Finally, he states that the PAPS plans to hold events in association with the Mark in other areas in British Columbia. The licence agreement between the Owner and the PAPS is attached to his affidavit as Schedule 1. I note that the text of the licence agreement specifies that the licence is non-exclusive.

#### ANALYSIS

##### Registered Goods

[14] To establish use of a trademark in association with goods, an owner must provide sufficient evidence to allow the Registrar to conclude that the goods were transferred in association with the trademark in Canada during the relevant period. Such transfers must be in the normal course of trade. Although there is no specific form that this evidence must take, some evidence of transfers in the normal course of trade in Canada is necessary. Such evidence will often be in the form of documentation like invoices or sales reports, but it can also be through clear sworn statements detailing transfers in the normal course of trade.

[15] The Owner’s affidavit does not contain any evidence showing that any of the registered goods were transferred in the normal course of trade during the relevant period. Indeed, there is no clear statement in the affidavit that any of the registered goods were sold or transferred at all during the relevant period; the Owner’s affidavit refers only to “Online marketing in connection with use of the Mark on the registered goods and services” through a promotional website, the

contents of which are not provided in evidence. It is not sufficient that the goods were merely marketed during the relevant period; some evidence of transfers in the normal course of trade in Canada is necessary [see, for example, *Molson Cos v Halter* (1976), 28 CPR (2d) 158 (FCTD); and *Gowling, Strathy & Henderson v Royal Bank* (1995), 63 CPR (3d) 322 (FCTD)]. Here, no such evidence is provided. In addition, the Owner's affidavit does not provide any evidence regarding the manner in which the Mark was presented on, or in association with, the registered goods during the relevant period. I note that I am unable to consider any facts introduced in the Owner's written representations, as discussed above. In the absence of such evidence or a clear sworn statement, I cannot conclude that the Mark was associated with the registered goods, even if there have been transfers of such goods.

[16] In the absence of evidence of transfers of any of the registered goods in association with the Mark, I cannot conclude that the Owner has shown use in association with the registered goods within the meaning of sections 4 and 45 of the Act.

#### Registered Services

[17] Similarly, there is no indication that the registered services were performed during the relevant period. The Owner's affidavit indicates that festivals were held in association with the Mark before the relevant period, but there is no evidence to suggest that the festival or fundraising services were performed during the relevant period. The Owner's affidavit describes a planned music festival which was originally intended to be held in Grand Forks, B.C., in July 2017. This event was to be held under licence between the Owner and the PAPS. Under section 50(1) of the Act, use of a Mark by a licensee will enure to the benefit of an owner where the owner can show that it exercised control over the character or quality of the services; in this case, I find that the licence agreement provided as Schedule 1 to the affidavit demonstrates that the Owner would have exercised the requisite control [see *Empresa Cubana Del Tobacco Trading v Shapiro Cohen*, 2011 FC 102 at para 84]. Thus, had this event taken place, it would have been within the relevant period and could potentially have provided evidence of performance of the registered service "live music concerts". However, this festival was rescheduled to a date after the relevant period. Whether the factors leading to the postponement of the festival constitute special circumstances excusing non-use of the Mark will be considered in the next section.

[18] As discussed above, display of a trademark in advertising can constitute use of that trademark in association with the advertised service from the time the Owner offers and is prepared to perform the service. However, the Owner's affidavit provides only vague assertions that the Owner has engaged in "Marketing of the mark" and "Online marketing in connection with use of the Mark on the registered goods and services" through its promotional website. No further details or supporting documents are provided, making it impossible to determine which of the registered services were being advertised, to whom the marketing was directed, or how the Mark was displayed in the context of this marketing. The Owner furnished no evidence as to the content or appearance of the website during the relevant period, and the mere existence of a domain name comprising the Mark is insufficient to demonstrate advertisement of the specific registered services. In the absence of further details or supporting evidence, I cannot conclude that the Mark was used or displayed in the performance or advertising of any of the registered services in Canada during the relevant period. As a result, I cannot conclude that the Owner has shown use in association with the registered services within the meaning of sections 4 and 45 of the Act.

#### Special Circumstances

[19] As the Owner has not shown use with respect to either the registered goods or the registered services, the issue in this case is whether, pursuant to section 45(3) of the Act, special circumstances existed to excuse non-use of the Mark during the relevant period.

[20] To determine whether special circumstances have been demonstrated, the Registrar must first determine why the trademark was not used during the relevant period. Second, the Registrar must determine whether those reasons for non-use constitute special circumstances [*Canada (Registraire des marques de commerce) c Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)]. Special circumstances are 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: (1) the length of time during which the trademark has not been in use; (2) whether the reasons for non-use were beyond the control of

the registered owner; and (3) whether there exists a serious intention to shortly resume use [per *Harris Knitting*]. All three criteria are relevant, but satisfying the second criterion is essential for a finding of special circumstances excusing non-use [per *Scott Paper Ltd v Smart & Biggar* (2008), 65 CPR (4th) 303 (FCA)].

*Do the reasons given for non-use constitute special circumstances?*

[22] In discussing reasons for non-use of the Mark, the Owner provides no explanation as to why the original festival in Innisfil, Ontario, did not take place after 2011. He also provides no explanation as to why none of the discussions with the owners and operators of historical railway museum properties and steam engine roundhouses led to use of the Mark during the relevant period. His affidavit refers to a planned event to be held in association with the Mark in July 2017 in Grand Forks, B.C., which would have been within the relevant period, but which was rescheduled to 2018 due to the late unavailability of the headlining performer. I note that the Owner's written representations discuss further factual details regarding the rescheduling of this event; however, as these facts were not put forward in the Owner's evidence, I cannot consider them. Therefore, the only circumstance put forward by the Owner to justify non-use of the Mark is the non-availability of the headlining performer of the Grand Forks event. There is insufficient evidence before me to allow me to conclude that the late unavailability of a headlining performer at a music festival is an unusual, uncommon, or exceptional circumstance.

*Would the circumstances excuse the period of non-use?*

[23] Even if I were to consider the difficulties faced by the licensee to constitute special circumstances, I am not satisfied that they excuse the period of non-use in this case.

[24] With respect to the first criterion from *Harris Knitting*, generally, a registered owner must state or otherwise provide evidence as to when the trademark was last used. Based on the evidence provided, it appears that the last use of the Mark occurred in 2011. The reasons for non-use will be weighed against this somewhat lengthy period of approximately six years of non-use [*Harris Knitting*; and *Re: Goldwell* (1974), 29 CPR (2d) 110 (TMOB)].

[25] With respect to the second criterion of the *Harris Knitting* test, there is not enough evidence before me to allow me to conclude that non-use of the Mark was beyond the control of the Owner. For instance, while the unavailability of the headlining performer may not have been within the control of the Owner, there is no evidence that seeking and securing other licensees concurrently was beyond the control of the Owner, given the non-exclusive nature of the licence. The Owner attests that he has been engaged in “continuing discussions” with third parties with respect to use of the Mark; however, he provides no details as to why these discussions did not lead to use of the Mark. As a result, I cannot determine that it was not a voluntary business decision on behalf of the Owner to rely solely on PAPS to use the Mark in Canada, rather than seek out other avenues. In this respect, I am guided by the reasoning of the Federal Court in *NTD Apparel Inc v Ryan* (2003), 27 CPR (4th) 73 at paras 22-23 (FCTD), in which Justice Layden-Stevenson emphasized the importance of detailed evidence with respect to the second criterion of the *Harris Knitting* test:

There exists a conspicuous lack of detail and specificity regarding what efforts were made, when they were made, what happened and what is happening. I do not find that there is reliable evidence before me such that I could conclude that the absence of use was due to obstacles beyond the appellant’s control.

[26] With respect to the third step of the *Harris Knitting* test, I accept that the Owner has provided some evidence of a continuing intention, during the relevant period, to shortly resume use of the Mark, through its statement that the PAPS intends to hold a music festival in 2018 in association with the Mark. However, 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* [at para 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.

[27] Further, intention to shortly resume use of the trademark must be substantiated by “a sufficient factual basis” [*NTD Apparel* at para 26; see also *Arrowhead Spring Water Ltd v Arrowhead Water Corp* (1993), 47 CPR (3d) 217 (FCTD) at para 12; *Lander Co Canada Ltd v*



*Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD) at para 15]. In this case, I have no information in the Owner's affidavit on whether concrete steps have been taken to hold the festival in 2018, aside from bare statements that the event has been rescheduled and that future events involving the Mark have been planned in the same time frame by the PAPS. Without further details, these statements do not provide a sufficient factual basis to show intention to shortly resume use.

[28] In view of the above, 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

[29] 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.

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G.M. Melchin  
Hearing Officer  
Trademarks Opposition Board  
Canadian Intellectual Property Office

**TRADEMARKS OPPOSITION BOARD  
CANADIAN INTELLECTUAL PROPERTY OFFICE  
APPEARANCES AND AGENTS OF RECORD**

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No Hearing Held

**AGENTS OF RECORD**

None

For the Registered Owner

OLLIP P.C.

For the Requesting Party