



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2019 TMOB 111

Date of Decision: 2019-10-15

IN THE MATTER OF A SECTION 45 PROCEEDING

**Robinson Sheppard Shapiro
S.E.N.C.R.L./L.L.P.**

Requesting Party

And

Araam Incorporated

Registered Owner

TMA683,737 for MAGNOLIA

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. TMA683,737 for the trademark MAGNOLIA (the Mark), owned by Araam Incorporated.

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

Beds, mattresses, box springs, bed frames, Murphy beds, headboards, duvets, bed sheets, bedspreads, bed skirts, pillows, blankets, towels and pillow top bed covers.

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

INTRODUCTION

[4] At the request of Robinson Sheppard Shapiro S.E.N.C.R.L./L.L.P. (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on January 2, 2018, to Araam Incorporated (the Owner), the registered owner of the Mark.

[5] The notice required the Owner to show whether the trademark has been used in Canada in association with 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 January 2, 2015 to January 2, 2018.

[6] The relevant definition of use is 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.

[7] On February 21, 2018, in response to the Registrar's notice, the Owner furnished the solemn declaration of Tom Keogh, sworn on February 14, 2018. Both the requesting party and the registered owner filed written representations. An oral hearing was not requested.

THE OWNER'S EVIDENCE

[8] Mr. Keogh's declaration is brief, consisting only of the following statements:

I, TOM KEOGH, of the City of Edmonton, in the Province of Alberta, DO SOLEMNLY DECLARE THAT:

1. I am GM & Operations for Araam Incorporated, registered owner of the trademark Magnolia, TMA 683,737, File: 1275141.
2. I confirm that we are in receipt of a Section 45 proceedings notice dated January 2, 2018 ("the Notice").
3. Araam Incorporated has marketed and sold "Magnolia" wares in Canada during the three-year period immediately preceding the Notice as evidenced by the printout attached and marked as Schedule "A".
4. Most recently the Magnolia wares are under re-design review and no sales occurred in 2017 as a result of the same.

[9] Attached as Schedule "A" to Mr. Keogh's declaration are two documents showing "Sales By Product Code". The first is dated 01/01/2016 to 12/30/2016 and shows sales figures for two products, "Royal Low Profile 4" Slat Box" and "Magnolia PT Wood-Silk-Cas", sold by the Owner to various retail customers. The second is dated 01/01/2014 to 01/11/2018 and shows

sales figures for five products, including the two referenced in the previous document, as well as “Magnolia – Firm”, “Magnolia – Latex PT”, and “Magnolia – Soft”, all sold by the Owner to various retail customers. No further information is provided as to the nature of the products, the specific dates on which individual products were sold, how the Mark may have been displayed at the time of transfer, or what documentation would have accompanied the products at the time of transfer. In addition, Schedule “A” is not endorsed by the commissioner who received the declaration.

ANALYSIS

[10] I note at the outset that the Requesting Party raises a number of challenges to Mr. Keogh’s declaration, including that Mr. Keogh did not state whether he held his current position during the relevant period, and further, that he did not state the source of his information. The Requesting Party also submits that Schedule “A” is inadmissible as it does not bear any identification tab endorsed by the commissioner who received the declaration. In this respect, I note that it has been established that technical deficiencies in evidence should not stop a party from successfully responding to a section 45 notice where the evidence provided could be sufficient to show use [see *Baume & Mercier SA v Brown* (1985), 4 CPR (3d) 96 (FCTD)]. For example, the Registrar has accepted exhibited evidence that was not properly endorsed where the exhibited evidence was clearly identified and explained in the body of the affidavit [see, for example, *Borden & Elliot c Raphaël Inc* (2001), 16 CPR (4th) 96 (TMOB)]. In addition, the Registrar has recognized that a person’s office may manifestly put him or her in a position to have knowledge of certain facts [see, for example, *Cascades Canada Inc v Wausau Paper Towel & Tissue LLC*, 2010 TMOB 176 at para 29]. However, in this case, it is not necessary for me to determine these issues since, as I will discuss below, the Owner’s evidence is insufficient to establish use of the Mark in association with any of the registered goods.

[11] 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)]. I concur with the Owner that an overabundance of evidence is not required in a section 45 proceeding [*Union Electric Supply Co Ltd v Registrar of Trade Marks* (1982), 63 CPR (2d) 56 (FCTD)]. However, 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 specified in the registration during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[12] The Owner submits that Mr. Keogh's declaration establishes use of the Mark in accordance with the requirements of section 4 of the Act. However, the Owner's evidence does not establish that the Mark was marked on the goods themselves, on the packaging in which they were distributed, or in any other manner associated with the goods so that notice of association is given at the time of transfer to the person to whom the goods are transferred.

[13] Although some of the goods referenced in Schedule "A" are identified on those documents by the word "Magnolia", there is no suggestion that these documents accompanied any such goods at the time of transfer. Furthermore, Mr. Keogh does not state whether the Mark was displayed on the goods or on their packages or provide any evidence whatsoever regarding the manner in which the Mark was presented on, or in association with, the registered goods at the time of any transfer during the relevant period. In the absence of such evidence, I cannot conclude that the Mark was associated with the registered goods at the time of transfer, as required by section 4(1) of the Act.

[14] In addition, as noted by the Requesting Party, Mr. Keogh provides no indication as to which of the registered goods are covered by the product codes listed in the Schedule "A" documents. The short descriptions provided on the documents, such as "Royal Low Profile 4" Slat Box" and "Magnolia PT Wood-Silk-Cas", are insufficient to allow me to determine which, if any, of the registered goods they reflect. I also concur with the Requesting Party that, because the second document covers a greater range of time than the relevant period, it is impossible to determine which of the sales took place *during* the relevant period.

[15] In view of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark in association with the registered goods within the meaning of sections 4 and 45 of the Act.

[16] Further, there is no evidence before me of special circumstances excusing the absence of use in association with any of the registered goods. I note that Mr. Keogh acknowledges that no sales of "the Magnolia wares" occurred in 2017 due to a "re-design review"; however, absent

further evidence, I cannot conclude that this interruption in sales is anything but a voluntary business decision on the part of the Owner. It is well established that the voluntary business decisions of a trademark owner are not the sort of uncommon, unusual or exceptional reasons for non-use that constitute special circumstances [see *Canada (Registraire des marques de commerce) c Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA); *Lander Co Canada Ltd v Alex E Macrae & Co* (1993), 46 CPR (3d) 417 (FCTD); and *John Labatt Ltd v Cotton Club Bottling Co* (1976), 25 CPR (2d) 115 (FCTD)]. In any event, this circumstance would not explain any absence of use in 2015 and 2016.

DISPOSITION

[17] 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.

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

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

No Hearing Held

AGENTS OF RECORD

None

For the Registered Owner

Robinson Sheppard Shapiro S.E.N.C.R.L./L.L.P.

For the Requesting Party