

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

> Citation: 2019 TMOB 143 Date of Decision: 2019-12-30

# IN THE MATTER OF A SECTION 45 PROCEEDING

Riches, McKenzie & Herbert LLP

**Requesting Party** 

and

**Pierre Nadeau** 

**Registered Owner** 

TMA852,781 for REGAL SEAFOOD

Registration

## **INTRODUCTION**

[1] At the request of Riches, McKenzie & Herbert LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) on August 8, 2017, to Pierre Nadeau (the Owner), the registered owner of registration No. TMA852,781 for the trademark REGAL SEAFOOD (the Mark).

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

Seafood, namely, processed fish, fillets, shrimp, crab, lobster and foods prepared from seafood.

[3] The notice required the Owner to show whether the trademark 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 August 8, 2014 to August 8, 2017.

[4] The relevant definition of use for goods 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.

[5] 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 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 his own affidavit, sworn on October 10, 2017. Both parties filed written representations and were represented at an oral hearing.

## THE OWNER'S EVIDENCE

[7] In his affidavit, the Owner states that he is the President and sole shareholder of Alliance Seafood Inc. ["Alliance"], the "authorized user" of the Mark. He explains that "the brand Regal Seafood was first introduced in Canada in 2014" in the Atlantic Provinces, Quebec, and Ontario, and states that products are now sold in association with the Mark in every province. In support, he attaches a number schedules to his affidavit, including images of product packaging and labels as well as invoices. The product packaging and labels display the following logo, which the Owner describes as the "Regal Seafood Brand" or "Regal Brand":



[8] In particular, the Owner attaches pictures of packaging for the products "Atlantic Bar Clams", "Breaded Atlantic Bar Clams", and "Crab Au Gratin", each displaying the Regal Brand, as Schedules A, B, and C respectively. The Owner states that each schedule represents the packaging of products sold by Alliance in association with the Regal Brand. Similarly, as Schedule D, the Owner attaches a number of box labels "used in the shipping of our products", each of which displays the Regal Brand. The labels identify the products as frozen breaded bar clams and frozen fish cakes.

[9] Finally, as Schedule E, the Owner attaches invoices "showing sales of the product with the Regal Brand." The invoices show sales of various products by Alliance to purchasers within Canada. While some of the invoices are dated outside the relevant period, those that are dated within the relevant period show sales of haddock, pollock, shrimp, cod, Atlantic bar clams, queen crab combo, crab bites, fish cakes, and lobster. While the Mark as registered does not appear on the invoices, I note that the word "Regal" appears in the item description for Atlantic bar clams and fish cakes. By contrast, neither the word "Regal" nor any other brand indicator appears in the item descriptions for the other products.

## ANALYSIS

[10] The Requesting Party raises three main issues with the Owner's evidence: first, that any use of the Mark by Alliance would not enure to the Owner; second, that the trademark shown in evidence is not the Mark as registered; and third, that the Owner has not used the Mark in association with each of the registered goods during the relevant period. I will consider each of these issues in turn.

# Use by Alliance

[11] The Requesting Party submits that the Owner did not state whether he exercised control over the character and quality of Alliance's goods in his role as President and sole shareholder of

Alliance, noting that his use of the pronoun "we" in the affidavit suggests that others were involved in the operations of Alliance. The Requesting Party refers to *Asima Realty Ltd v Cofely Services SA*, 2013 TMOB 69, in which the registrant corporation held fifty percent share ownership of a licensee, and the registrant's affidavit evidence was provided by an individual who held a management position with that registrant as well as being Director of Operations for the licensee. In that case, the Registrar found that, absent further facts, it could not be inferred that the requisite control existed simply by virtue of the affiant's position with the licensee. Similarly, the Requesting Party argues that, in this case, the fact that the Owner was President and sole shareholder of Alliance is insufficient in itself to establish the requisite control.

[12] At the oral hearing, the Requesting Party also referred to *Automobility Distribution Inc v Jiangsu Electronics Industries Ltd* (2005), 43 CPR (4th) 157 (TMOB), in which the Registrar found that the fact that the registered owner was the sole shareholder of the licensee was insufficient to infer the requisite control. I note, however, that in the *Automobility* case, the Registrar noted that where the president of a corporate owner of a trademark is also the president or director or officer of the licensee, it may be sufficient to establish the requisite control [at para 14].

[13] The Owner submits, and I agree, that the Registrar has consistently found that the requisite control can be inferred where the same person is the president of both a registrant corporation and its licensee, citing *Mohammad Azhar Khan v Bar B Q TONIGHT GLOBAL PTE LTD*, 2017 TMOB 73. In that case, the Registrar found that "[w]here the same person is the licensor and president of the licensee, it is reasonable to infer that a license exists in which the requisite control over the character and quality of the services is exercised" [para 34]. In this case, given that the Owner in this case is both the president and sole shareholder of Alliance, I find it reasonable to infer that a license existed during the relevant period in which the requisite control over the character and quality of the goods was exercised [see also *Petro-Canada v* 2946661 (1998), 83 CPR (3d) 129 (FCTD)].

#### Deviation from the Mark as registered

[14] The Requesting Party submits that use of the trademark shown in evidence is "Regal" rather than the Mark as registered, citing the test for deviation established in *Nightingale Interloc* 

*Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB). The Requesting Party also refers to *Arvic Search Services Inc v Gainers Inc* (1992), 47 CPR (3d) 100 (TMOB), in which the Registrar found that use of the trademark CAPITAL did not amount to use of the registered trademark CAPITAL BRAND as "[t]he word 'brand' is a significant and essential component of the registered mark" [para 9]. In this case, the Requesting Party observes that the significantly larger font used for "Regal" in the above configuration indicates that the trademark being used is "Regal" rather than the Mark as registered, and submits that use of the word "Regal" by itself in the invoices supports this conclusion. In addition, the Requesting Party submits that the word "BRAND" is a significant component of the trademark as displayed, and that the fact that the words "SEAFOOD BRAND" appear in smaller letters below "Regal" further reinforces the fact that the trademark being used is "Regal".

[15] The Owner submits that the addition of the word "BRAND" does not alter or affect the dominant feature of the Mark, and that a consumer would likely regard the differences as nominal and that the identity of the Mark has been preserved. The Owner distinguishes the present case from Arvic as that case dealt with a situation where a component of the registered trademark was omitted, as opposed to the present case in which the Mark is being used with additional material. The Owner submits that the current case is analogous to the following three cases: Mantha & Associates v Old Time Stove Co (1990), 30 CPR (3d) 574 (TMOB), in which BEAUMONT CHALET was considered an acceptable deviation from the registered trademark BEAUMONT; Canada (Registrar of Trade Marks) v Irving Oil Ltd (1995), 63 CPR (3d) 573 (TMOB), in which COLLECTION EUROPA was considered an acceptable deviation from the registered trademark EUROPA; and Goudreau Gage Debuc & Martineau Walker v Niagara Mist Marketing Ltd (1997), 78 CPR (3d) 255 (TMOB), in which NIAGARA MIST COSMETICS was considered an acceptable deviation from the registered trademark NIAGARA MIST. Finally, the Owner submits that use of "Regal" in the invoices is "clearly and obviously" not meant to amount to use of the Mark, but is used simply for informational purposes.

[16] Use of a word mark in combination with additional words or design elements qualifies as use of the word mark if the public, as a matter of first impression, would perceive the word mark *per se* as being used [*Nightingale* at para 7; see also 88766 *Canada Inc v National Cheese Co* (2002), 24 CPR (4th) 410 (TMOB)]. Further, it is well established that the addition of descriptive

words to a word mark is not necessarily fatal to a registration, even where those descriptive words appear in the same font and size as the word mark [see, for example, *Riches, McKenzie & Herbert v Pillsbury Co* (1995), 61 CPR (3d) 96 (TMOB) at para 14; *LE PEPE' SRL v PJ Hungary Kft*, 2017 TMOB 82 at paras 18-20; *Smart & Biggar v Lotuspc.com Corporation*, 2019 TMOB 29 at paras 19-21]. I note in particular that in *Nelligan O'Brien Payne LLP v Beacon Law Corporation*, 2018 TMOB 4 at paras 18-19, the Registrar found that the addition of the descriptive word "CENTRE" did not amount to a substantial deviation from the registered trademark "BEACON LAW", which, as in the present case, is a two-word trademark where the second word is indicative of the nature of the owner's business. Thus, I cannot agree with the Requesting Party's submission that the addition of the descriptive element "BRAND" means that the trademark being used is "Regal" rather than "REGAL SEAFOOD". Despite the addition of the word "BRAND", and notwithstanding that the "TM" symbol appears next to the word "Regal", the Mark has not lost its identity and remains recognizable.

#### Use with each of the registered goods

[17] The Requesting Party submits that while the Owner's evidence shows images of product packaging from some point in time, the Owner does not state that he used the Mark in association with each of the registered goods during the relevant period.

[18] While the Owner could have been clearer that the exhibited schedules are representative of how the Mark was displayed on the product packaging *during the relevant period*, the evidence as a whole must be considered [*Kvas Miller Everitt v Compute (Bridgend) Ltd* (2005), 47 CPR (4th) 209 (TMOB)] and reasonable inferences can be made from the evidence provided [*Eclipse International Fashions Canada Inc v Shapiro Cohen* (2005), 48 CPR (4th) 223 (FCA)]. In this case, in his affidavit, the Owner states that Alliance has been selling products under the Regal Brand since 2014, and has provided invoice evidence showing sales during the relevant period of products corresponding to goods whose packaging displays the Regal Brand; namely, Atlantic bar clams and fish cakes. As such, I am prepared to infer that the packaging for these goods would have displayed the Regal Brand during the relevant period.

[19] In the alternative, the Requesting Party notes that the Owner shows use of the Mark only in association with clams, crab au gratin, and fish cakes, and submits that, at best, this evidence

can only support use of the Mark in association with the registered goods "foods prepared from seafood". The Requesting Party cites *Osler, Hoskin & Harcourt LLP v Childs and Weatherbie Inc*, 2016 TMOB 60, for the proposition that where an owner makes distinctions between different goods in its statement of goods, the owner is required to provide evidence of use of the Mark in association with each such good. Similarly, the Requesting Party argues that the Owner has failed to provide evidence of use of the Mark in association with "seafood, namely, processed fish, fillets, shrimp, crab and lobster", and further that the Owner provides no reasons for the absence of such use. Accordingly, the Requesting Party submits that these goods should be removed from the registration.

[20] The Owner submits that its evidence of use of the Mark in association with Atlantic bar clams, crab au gratin, and fish cakes, supports use in association with the registered goods "foods prepared from seafood", "crab", and "processed fish", respectively. I am satisfied that use of the Mark in association with Atlantic bar clams and fish cakes supports use in association with the registered goods "foods prepared from seafood" and "processed fish", respectively. As the Owner's invoice evidence shows sales of Atlantic bar clams and fish cakes within the relevant period, and as Schedules A through D establish that the Mark was displayed on the packaging of each such product, I find that the Owner has established use in association with "foods prepared from seafood" and "processed fish" within the meaning of sections 4 and 45 of the Act.

[21] With respect to the registered goods "crab", however, I note that the Owner's invoice evidence does not show any sales of "crab au gratin" during the relevant period or otherwise. While the invoices do show sales of "queen crab combo" and "crab bites", these do not appear to be the same product as the crab au gratin product shown in Schedule C. Further, I note that while the word "Regal" appears in the invoices next to the listed fish cake and Atlantic bar clam products, it does not appear next to any of the crab products or other listed items. As a result, it is not clear whether all of the goods listed in the invoices were sold in association with the Mark, or only the goods shown in Schedules A through D. In the absence of evidence that the "queen crab combo" or "crab bites" were sold in association with the Mark, and in the absence of a transfer of the crab au gratin product depicted in Schedule C, I cannot conclude that the Owner has established use of the Mark in association with "crab" within the meaning of sections 4 and 45 of the Act.

[22] With respect to the remaining goods, in its written submissions, the Owner states that it is making no specific representations with respect to the goods "fillets", "shrimp", and "lobster", other than to defer to the Registrar's expertise on whether the evidence supports maintaining these goods. While the invoices show sales of goods that correspond with the registered goods "fillets", "shrimp", or "lobster", I note that the word "Regal" does not appear in association with these listed items on the invoices, and there is no other evidence before me pertaining to these goods. As a result, I cannot conclude that these items were sold in association with the Mark. Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association the remaining goods within the meaning of sections 4 and 45 of the Act.

[23] As the Owner has not detailed any special circumstances with respect to non-use of the Mark, the registration will be amended accordingly.

## DISPOSITION

[24] 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 amended to delete "fillets, shrimp, crab, lobster" from the list of registered goods.

[25] The amended statement of goods will be as follows:

Seafood, namely, processed fish and foods prepared from seafood.

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

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

# **HEARING DATE** 2019-11-14

## **APPEARANCES**

Stephen AndrewsFor the Registered OwnerMarta Tandori ChengFor the Requesting PartyAGENTS OF RECORDFor the Registered OwnerAndrews RobichaudFor the Registered Owner

Riches, McKenzie & Herbert LLP

For the Requesting Party