



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2020 TMOB 37

Date of Decision: 2020-04-30

IN THE MATTER OF A SECTION 45 PROCEEDING

**Ghanimian Enterprises, Inc., dba Two
Lips Shoe Co.**

Requesting Party

and

YM Inc. (Sales)

Registered Owner

TMA856,251 for LOVE & LIBERTY

Registration

INTRODUCTION

[1] At the request of Ghanimian Enterprises, Inc., dba Two Lips Shoe Co. (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 April 28, 2017, to YM Inc. (Sales) (the Owner), the registered owner of Registration No. 856,251 for trademark LOVE & LIBERTY (the Mark).

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

Men's, women's and children's clothing and accessories, namely, dresses, skirts, shorts, jumpers, pants, trousers, slacks, jeans and cords, sweatpants, track pants, shirts, dress shirts, sport shirts, blouses, t-shirts, tank tops, turtlenecks, cowl necks, sweat shirts, hoodies, sweaters, pullovers, cardigans, vests, blazers, sweater-jackets, coats, jackets, ski-jackets, rainwear, suits, ties, pajamas, lingerie, undergarments, robes, swimsuits, scarves, hats, toques, gloves, mitts, socks; footwear, namely, insoles, athletic footwear, beach footwear, rain footwear, evening footwear, shoes, boots, slippers and sandals; knapsacks,

pouches, handbags and purses, sunglasses; belts; jewellery, namely, bangles, necklaces, bracelets, earrings, pendants, pins, brooches, charms and chains; hairbrushes, hair accessories, namely, hair bands and headbands, hair elastics, hair bobbles, hairclips.

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

[4] The notice required the Owner to show whether the Mark has been used in Canada in association with the goods 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 28, 2014 to April 28, 2017.

[5] 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.

[6] 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) (*John Labatt*)].

[7] In response to the Registrar's notice, the Owner furnished the affidavit of Keith Moore, sworn November 28, 2017. Both parties filed written representations. No oral hearing was held.

THE OWNER'S EVIDENCE

[8] Mr. Moore states that he has been the Wholesale Buyer of the Owner since 2010. He explains that the Owner is wholly owned by Cosa-Nova Fashions Limited (Cosa-Nova), a

company that also owns the majority share of Thrifty's Inc., the Owner's sister company and licensee, which uses the Mark in Canada on the Owner's behalf. He states that both the Owner and Thrifty's Inc. are subsidiaries of Cosa-Nova, which exercises direct control of the Owner, Thrifty's Inc., and Thrifty's Inc. (2005), a division and sublicensee of Thrifty's Inc. He states that during the relevant period, the Mark was used in Canada in connection with each of the registered goods, by the Owner, by Thrifty's Inc., and by Thrifty's Inc. (2005). Further, Mr. Moore states that during the relevant period, the Owner exercised control over the character and quality of the goods sold in association with the Mark by Thrifty's Inc. and Thrifty's Inc. (2005) by regularly inspecting such goods.

[9] Mr. Moore explains that in the normal course of trade during the relevant period, the Owner would typically order its "fashion apparel, footwear and accessories" from overseas manufacturers by way of purchase orders. Such goods would then be shipped to the Owner or Thrifty's Inc. (2005); subsequently, they would be distributed to the Owner's retail stores for sale to the public.

[10] As Exhibit B to his affidavit, Mr. Moore attaches purchase orders for women's sweaters and cardigans, which he describes as representative of purchase orders for the registered goods by the Owner and Thrifty's Inc. (2005) to the Owner's overseas manufacturers. These purchase orders are dated during the relevant period and indicate that the goods are to be labelled with the Mark.

[11] As Exhibits C and D, respectively, Mr. Moore attaches a photograph of "a mock-up of the label that the [Owner]'s overseas manufacturers affixed to the Goods, namely jackets, bearing the Mark", and a set of photographs of jackets along with a purchase order for such jackets. The purchase order indicates that the jackets were labeled with the Mark and were shipped on July 22, 2014, and arrived at the Owner's warehouse on August 15, 2014.

[12] As Exhibit E, Mr. Moore attaches a set of photographs of men's, women's, and children's sweaters displaying the Mark on their labels and on attached hangtags. He confirms that such items were sold to customers in Canada during the relevant period.

[13] Mr. Moore explains that “hangtags and labels attached to the sweaters prominently display the Mark, and are representative of how the [Owner] and Thrifty’s Inc. (2005) used the Mark in Canada in connection with the Goods during the Relevant Period.” He further explains that “the [Owner] and Thrifty’s Inc. (2005) sold the Goods bearing the Mark to customers in Canada during the Relevant Period through the [Owner]’s STITCHES, URBAN PLANET and SIRENS stores”. However, he attests that “[b]usiness records of these itemized sales have since been amalgamated... with records of sales of other items bearing other trademarks”, such that the Owner “no longer has ready access to itemized sales records of the Goods bearing the Mark.”

ANALYSIS

[14] Based on Mr. Moore’s statement that the sweaters shown in Exhibit E were sold to customers in Canada in the normal course of trade during the relevant period, and the corresponding pictures showing the Mark displayed on the labels and hangtags attached to those sweaters, I accept that the Owner sold sweaters bearing the Mark in Canada during the relevant period.

[15] Similarly, based on Mr. Moore’s explanation that the sweaters, cardigans, and jackets listed in the purchase orders attached as Exhibits B and D were subsequently distributed to the Owner’s retail stores for sale, I accept that cardigans and jackets were also sold in Canada in the normal course of trade during the relevant period.

[16] Again, as the evidence indicates that these goods displayed the Mark on their labels and hangtags, in view of all of the foregoing, I am satisfied that the Owner has established use of the Mark in association with the registered goods “sweaters”, “cardigans”, and “jackets” within the meaning of sections 4 and 45 of the Act.

[17] With respect to the remaining goods, in its written representations, the Requesting Party simply submits that “It is clear from the evidence filed that the [Owner] has shown use of the [Mark] in association with only several items and accordingly, all other goods should be deleted from the registration.”

[18] In response, the Owner submits that the Requesting Party has failed to consider the evidence as a whole, contrary to established section 45 jurisprudence such as *Eclipse*

International Fashions Canada Inc v Shapiro Cohen, 2005 FCA 64, which provided that focusing on individual pieces of evidence in isolation is not the proper approach in a section 45 proceeding.

[19] In particular, the Owner submits that Mr. Moore's affidavit is clear that Exhibits B through E are "representative examples" of use in Canada, and that Mr. Moore has "clearly" stated that the Mark was used extensively in Canada in connection with *all* of the registered goods and has shown how the Mark was so used. The Owner contends that where a recitation of goods is extensive, as in this case, representative examples of an owner's use of a trademark will suffice to maintain the registration, citing *Saks & Co v Canada (Registrar of Trade Marks)* (1989), 24 CPR (3d) 49 (FCTD) (*Saks*), *Gowling Lafleur Henderson LLP v Neutrogena Corp* (2009), 74 CPR (4th) 153 (TMOB) (*Neutrogena*), and *Blue Steel Chemicals v Swish Maintenance Ltd*, 2011 TMOB 200.

[20] However, while evidentiary overkill is not required and representative evidence can be furnished in section 45 proceedings, the registered owner must still establish a *prima facie* case of use of the trademark in association with *each* of the goods specified in the registration [*John Labatt*; see also *Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184]. In other words, the Registrar must be able to "rely on an inference from proven facts rather than on speculation" to satisfy every element required by the Act [*Diamant Elinor* at para 11; see also *Smart & Biggar v Curb*, 2009 FC 47].

[21] In this case, Mr. Moore appears to assert use in association with all of the registered goods by way of statements that the Owner *used* the Mark in association with each of the registered goods, and that the Owner and its licensee "sold the Goods bearing the Mark to customers in Canada during the Relevant Period through the [Owner]'s STITCHES, URBAN PLANET and SIRENS stores".

[22] However, the Owner's evidence does not *demonstrate* use with respect to each of the specified goods. While direct documentary evidence of transfers – such as invoices – are not required for each registered good, some evidence of transfers is still necessary. This evidence can be in the form of clear, sworn statements. However, in this case, Mr. Moore's aforementioned statements regarding transfers are vague at best and the Owner furnished direct evidence with

respect to only three of the registered “clothing” goods. There is no direct evidence of how the Mark would have been displayed in association with the other types of goods, such as footwear and jewellery. Even if I were to infer that the remaining goods were labelled and marked in the same manner, there is no clear evidence upon which I could conclude that the remaining goods were sold or transferred in the normal course of trade in Canada during the relevant period or otherwise. Furthermore, even if one accepts that Mr. Moore’s aforementioned statements should be read as an assertion with respect to each and every registered good, given Mr. Moore’s subsequent statement regarding the state of the Owner’s business records, it is unclear how he himself could be so satisfied in this case.

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

[24] As there is no evidence of special circumstances before me which would excuse non-use of the Mark in association with the remaining registered goods, the registration will be amended accordingly.

DISPOSITION

[25] 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 the following registered goods:

[...] and accessories [...], dresses, skirts, shorts, jumpers, pants, trousers, slacks, jeans and cords, sweatpants, track pants, shirts, dress shirts, sport shirts, blouses, t-shirts, tank tops, turtlenecks, cowl necks, sweat shirts, hoodies, [...] pullovers, [...] vests, blazers, sweater-jackets, coats, [...] ski-jackets, rainwear, suits, ties, pajamas, lingerie, undergarments, robes, swimsuits, scarves, hats, toques, gloves, mitts, socks; footwear, namely, insoles, athletic footwear, beach footwear, rain footwear, evening footwear, shoes, boots, slippers and sandals; knapsacks, pouches, handbags and purses, sunglasses; belts; jewellery, namely, bangles, necklaces, bracelets, earrings, pendants, pins, brooches, charms and chains; hairbrushes, hair accessories, namely, hair bands and headbands, hair elastics, hair bobbles, hairclips.

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

Men's, women's and children's clothing, namely, sweaters, cardigans, jackets.

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 No Hearing Held

AGENTS OF RECORD

Paul E. Bain (Dickinson Wright LLP)

For the Registered Owner

Moffat & Co.

For the Requesting Party