



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2020 TMOB 90

Date of Decision: 2020-07-31

IN THE MATTER OF A SECTION 45 PROCEEDING

Miller Thomson LLP

Requesting Party

and

Janelle Nahmabin

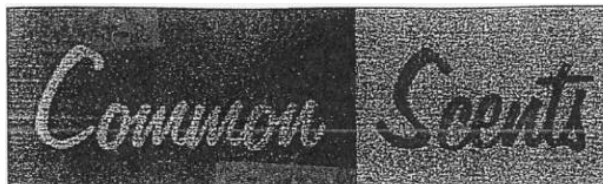
Registered Owner

**TMA779,021 for Common Scents &
Design**

Registration

INTRODUCTION

[1] At the request of Miller Thomson 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 September 26, 2017, to Maureen Lees, the registered owner at that time of Registration No. TMA779,021 for the trademark Common Scents & Design (the Mark), shown below:



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

The operation of a retail store specializing in the sale of perfume, and cosmetics, and the sale of perfume and cosmetics over the internet.

[3] On April 30, 2018, the Registrar updated the registration to record an assignment of the Mark to Janelle Nahmabin (the Owner), the current owner of the Mark.

[4] For the reasons that follow, I conclude that the registration ought to be maintained only with respect to “The operation of a retail store specializing in the sale of perfume”.

[5] The notice required the Owner to show whether the Mark has been used in Canada in association with the registered services 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 26, 2014, to September 26, 2017.

[6] The relevant definition of use for services is set out in section 4 of the Act as follows:

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.

[7] 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 services specified in the registration during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[8] In response to the Registrar’s notice, the Owner furnished her own statutory declaration, declared November 30, 2017. Both parties filed written representations; only the requesting party was represented at an oral hearing.

THE OWNER'S EVIDENCE

[9] The Owner's declaration is brief, stating only that she is the owner of Cam n' Scents Aromatherapy & Metaphysical Store and of the Mark, and referring to Exhibits A and B to her declaration. Neither exhibit is sworn or notarized; further, the commissioner before whom the declaration was declared is identified only by an illegible signature on the declaration's jurat. Exhibit A consists of a letter written by the Owner, dated November 30, as well as a number of photographs. In the letter, the Owner states that she owns the Mark, which has been in use in Canada since September 2004. It also includes the following paragraph:

I currently have a licensee using this Trademark, who has been operating an active retail store(s) in Canada since September 2004. This license has been in effect since May 20, 2010. This license is totally controlled by me and I can cancel the agreement at any time, if they can't prove that they've had sales. I have also recently spoke to the licensee at the aforementioned store. Enclosed, please find a picture of the storefront and signage, and store products. Also, please find enclosed recent receipts of products sold within the last 6 (six) months.

[10] Exhibit A includes two receipts dated within the relevant period, showing sales of items listed as "Obsession" and "Cool Water Set 2pc". The receipts indicate that they were issued at a store located in the "Bonnie Doon Shopping Centre" with a phone number beginning with a 780 area code. The receipts display the words "DESIGNER FRAGRANCES FOR LESS!!" as well as the Mark in the following configuration:



[11] Exhibit A also includes photographs showing the interior and exterior of a retail storefront selling fragrances and other items. The signage appears as follows:



[12] Finally, Exhibit B consists of a document dated September 30, 2016, confirming the assignment of the Mark from Maureen Lees to the Owner.

ANALYSIS

[13] At the outset, I note that nothing in the Owner's evidence refers to sales of cosmetics, or to sales of perfume or cosmetics over the internet. In this respect, I note that the signage on the storefront refers to "Common Scents Fragrances", and the receipts refer to designer fragrances. In the absence of any reference to sales of cosmetics or sales over the internet, I cannot conclude that the Owner has used the Mark in association with these registered services within the meaning of the Act. As there is no evidence of special circumstances, these services will be deleted from the registration.

[14] The Requesting Party submits that the Owner's evidence is inadmissible; that the Owner has not established that she exercises the requisite control over the character and quality of the services provided by the licensee pursuant to section 50 of the Act; that the variations of the Mark shown in evidence do not constitute use of the Mark as registered; and that Ms. Lees' assignment of the Mark to the Owner was invalid due to non-compliance with the requirements of the Act.

[15] On the latter point, the requesting party refers in its written representations to a second trademark and states that the assignment of the Mark to the Owner is invalid as it would have been confusing with this second trademark. While the Registrar has the discretion to check records kept under its supervision, the Registrar will generally not exercise such discretion in a section 45 proceeding [*2001237 Ontario Ltd v Footstar Corp*, 2003 CanLII 71192, 2003 CarswellNat 6253 (TMOB)]. I see no reason to exercise such discretion in this case, particularly given that the validity of a registration is beyond the scope of section 45 proceedings [*Ridout & Maybee srl v Omega SA*, 2005 FCA 306]. I would further note that the courts have held that an assignment does not necessarily need to be recorded by the Trademarks Office or documented in

writing to be valid; a transfer can be inferred from the facts of the case even if the parties have not executed a formal transfer in writing [see *Philip Morris Inc v Imperial Tobacco Ltd* (1985), 7 CPR (3d) 254 (FCTD) aff'd (1987), 17 CPR (3d) 289 (FCA); *Sim & McBurney v Buttino Investments Inc/Les Investissements Buttino Inc* (1996), 66 CPR (3d) 77 (FCTD) aff'd (1997), 76 CPR (3d) 482 (FCA); and *White Consolidated Industries Inc v Beam of Canada Inc* (1991), 39 CPR (3d) 94 (FCTD)]. Having considered the evidence in its entirety and bearing in mind that the purpose of section 45 proceeding is to provide a summary and expeditious administrative procedure to clear the register of trademarks that are no longer in use in Canada, I accept that the assignment took place in September 2016, as indicated on the document attached as Exhibit B to the Owner's declaration, but was simply not recorded at that time.

[16] The remaining issues will be addressed in turn.

Admissibility of the evidence

[17] The Requesting Party submits that the Owner's evidence is inadmissible because there is no seal or other indication disclosing the name and status of the person before whom the declaration was made, and further, because Exhibits A and B are not sworn or dated. The Requesting Party submits that these are more than mere technical deficiencies, and that the declaration and attached exhibits should be considered inadmissible. Further, the Requesting Party submits that the contents of the unsworn Exhibit A letter by the Owner are inadmissible as hearsay.

[18] The Owner submits that technical shortcomings or deficiencies in evidence do not bar a successful response to a section 45 notice where there is sufficient evidence to conclude that a trademark is in use, and that exhibits that are not properly notarized or identified as exhibits are nonetheless considered admissible when they are properly referenced or identified in the affidavit or declaration. In this case, the Owner submits that the exhibits to her declaration are part of her declaration, and thus are made under oath.

[19] 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)]

(*Baume & Mercier*)]. 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)]. Similarly, the Registrar has found that the fact that a commissioner's name is not fully spelled out in a declaration's jurat is a mere technicality that should not render that declaration inadmissible in a section 45 proceeding [*Brouillette, Kosie v Luxo Laboratories Ltd* (1997), 80 CPR (3d) 312 (TMOB) at para 5; *Dashte Morghab Co v Rex Inc* (2005), 52 CPR (4th) 71 (TMOB) at paras 18-19]. In this case, because the Owner clearly identifies the exhibited evidence in the body of her declaration, I am not prepared to consider the Owner's evidence to be inadmissible simply because the exhibits are not notarized or because of any shortcomings in the declaration's jurat.

[20] Similarly, while the Owner attaches the Exhibit A letter for the truth of its contents, the letter was nonetheless written by the Owner and referenced in her declaration. I note that in view of the purpose and scope of section 45 proceedings, the Federal Court has cautioned against letting technical requirements become "a trap for the unwary" where a trademark has otherwise been shown to be in use by its rightful owner or a duly authorized licensee [see *Baume & Mercier* at para 8]. Further, the Federal Court has held that given the summary nature of section 45 proceedings, "concerns with respect to the hearsay nature of evidence can go to weight, rather than admissibility" [*Eva Gabor International Ltd v 1459243 Ontario Inc*, 2011 FC 18 at para 18]. Bearing these principles in mind, I am prepared to assign significant weight to the Exhibit A letter [for a similar result, see *Fraday Yacoub v E-source, Inc*, 2020 TMOB 11 at para 24].

Licensed Use

[21] The Requesting Party submits that the Owner's statements that the license is "totally controlled" by her and that she can "cancel the agreement" at any time are insufficient to demonstrate the requisite control over the character and quality of the goods pursuant to section 50 of the Act. The Requesting Party further notes that the licensee has not been identified and there is no indication that the two Exhibit A receipts emanated from the licensee. In response, the Owner submits that her statements amount to a clear sworn statement demonstrating the direct or

indirect control of the character and quality of the services and are therefore sufficient to satisfy the requirements of section 50 of the Act.

[22] As stated by the Federal Court, there are three main methods by which a trademark owner can demonstrate the requisite control pursuant to section 50(1) of the Act: first, by clearly attesting to the fact that it exerts the requisite control; second, by providing evidence demonstrating that it exerts the requisite control; or third, by providing a copy of the license agreement that provides for the requisite control [*Empresa Cubana Del Tobacco Trading v Shapiro Cohen*, 2011 FC 102 at para 84]. Further, the Federal Court has held that “when a licensing agreement contains a control provision, it is presumed that the registered owner of the trademark exerted direct or indirect control over the character and quality of the products” [*Bauer Hockey Corp v Easton Hockey Canada, Inc*, 2016 FC 1373 at para 18; see also *McCarthy Tétrault LLP v Rex Inc* (2007), 65 CPR (4th) 46 (TMOB) at paras 11-12]. Accordingly, in view of the Owner’s clear statement that she “totally control[s]” the license, I am prepared to infer that she directly or indirectly controls the character and quality of the services performed by the licensee.

[23] Further to this point, while the Requesting Party notes that the Owner has not indicated the location of the photographed retail store or explicitly stated that the sales receipts emanated from that licensee, the Owner is clear in her declaration that the retail store or stores are in Canada. Further, while she does not specifically state who issued the sales receipts, I note that she refers to them at the end of a paragraph detailing the licensee and its retail stores. In addition, the display of the Mark on the receipts is substantially similar to the display of the Mark on the pictured storefronts, the receipts indicate that they were issued at a store in a shopping centre, and the receipts appear to show sales of fragrances. Evidence in a section 45 proceeding must be considered as a whole, and focusing on individual pieces of evidence in isolation is not the proper approach [see *Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB); *Fraser Milner Casgrain LLP v Canadian Distribution Channel Inc* (2009), 78 CPR (4th) 278 (TMOB)]. Further, reasonable inferences can be made from the evidence provided [see *Eclipse International Fashions Canada Inc v Shapiro Cohen* (2005), 48 CPR (4th) 223 (FCA)]. Accordingly, I am prepared to infer that the exhibited receipts were issued in the course of a sale of fragrances at one of the licensee’s retail stores in Canada.

Use of the Mark as registered

[24] The Requesting Party submits that the exhibited receipts and storefront photographs show variations to the Mark that are sufficiently different from the Mark as registered as not to constitute use within the meaning of the Act. Specifically, the Requesting Party notes that the logos shown in evidence are a different font and colour scheme than the Mark as registered, and in the case of the storefront, do not include the rectangular background. In this respect, I note that the storefront photographs are undated, but that the receipts are dated within the relevant period; accordingly, I will restrict my analysis to the latter. I note that on the receipts, the logo appears to invert the colour scheme compared to the Mark as registered, appears to use a slightly different cursive font, and also includes the word “FRAGRANCES” and is set inside what appears to be a perfume bottle.

[25] In considering whether the display of a trademark constitutes display of the trademark as registered, the question to be asked is whether the trademark was displayed in such a way that it did not lose its identity and remained recognizable, in spite of the differences between the form in which it was registered and the form in which it was used [*Canada (Registrar of Trade Marks) v Cie internationale pour l’informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA)]. In deciding this issue, one must look to see whether the “dominant features” of the registered trademark have been preserved [*Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)]. The assessment as to which elements are the dominant features and whether the deviation is minor enough to permit a finding of use of the trademark as registered is a question of fact to be determined on a case-by-case basis. Further, use of a trademark in combination with additional words or design elements qualifies as use of the trademark if the public, as a matter of first impression, would perceive the word mark *per se* as being used [*Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB) at para 7 (*Nightingale*); see also *88766 Canada Inc v National Cheese Co* (2002), 24 CPR (4th) 410 (TMOB)].

[26] In this case, the dominant elements of the Mark are the words “Common Scents”, which are presented in a cursive font and set in a rectangular background. These features are preserved in the Mark as it appears on the receipts, notwithstanding that the Mark appears to be presented in a reversed colour scheme and in a slightly different font [for similar conclusions, see *Gowling*

Lafleur Henderson LLP v Henry Company, LLC, 2017 TMOB 51 at paras 23-24; *Brouillette & Associés/Partners v Constellation Brands US Operations, Inc*, 2016 TMOB 159 at paras 19-20]. Similarly, the fact that the Mark is presented as a whole within a larger bottle design does not cause it to lose its identity or become unrecognizable. Finally, I consider the word “fragrances” to be a descriptive word that does not cause the Mark to lose its identity [see *Nightingale* at para 7]. The dominant features having been preserved, I conclude that the Owner has established use of the Mark.

[27] In sum, the Owner has provided evidence of sales of perfumes at a licensee’s retail store in Canada during the relevant period, and has established that use of the Mark by this licensee enures to the Owner. Given that the Mark was displayed on sales receipts issued in the course of such sales, I am satisfied that the Owner has established use of the Mark in association with the registered services “The operation of a retail store specializing in the sale of perfume [...]” within the meaning of the Act.

DISPOSITION

[28] 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 services:

[...] and cosmetics, and the sale of perfume and cosmetics over the internet.

[29] The amended statement of services will be as follows:

The operation of a retail store specializing in the sale of perfume.

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 2020-07-08

APPEARANCES

No one appearing

For the Registered Owner

David Schnurr

For the Requesting Party

AGENTS OF RECORD

Smart & Biggar LLP

For the Registered Owner

Miller Thomson LLP

For the Requesting Party