



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 42

Date of Decision: 2021-03-09

IN THE MATTER OF A SECTION 45 PROCEEDING

MLT Aikins LLP

Requesting Party

and

Elco Systems Inc.

Registered Owner

TMA706,229 for ELCO & design

Registration

INTRODUCTION

[1] This is a decision under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration No. TMA706,229 for the trademark ELCO & design (the Mark), which is owned by Elco Systems Inc. (the Owner):



[2] The Mark is registered for use in association with the goods and services in Schedule A.

[3] For the reasons that follow, the registration will be maintained for the following services:

assembly, servicing and distribution of computer hardware, computer peripherals and computer software; repair and maintenance services for computer equipment; user support services; computer technical support services; installation of computer networks and computer systems.

THE PROCEEDINGS

[4] At the request of MLT Aikins LLP (the Requesting Party), the Registrar of Trademarks issued a notice to the Owner under section 45 of the Act on December 22, 2017.

[5] 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 December 22, 2014 to December 22, 2017.

[6] The relevant definitions of use are set out in section 4 of the Act:

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.

[7] In the absence of use as defined above, pursuant to section 45(3) of the Act, a trademark is liable to be expunged, unless the absence of use is due to special circumstances.

[8] It is well established that the purpose and scope of section 45 of the Act is to provide a simple, summary, and expeditious procedure for removing “deadwood” from the register. As such, the evidentiary threshold that the registered owner must meet is quite low [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448 at para 68] and “evidentiary overkill” is not required [*Union Electric Supply Co v Canada (Registrar of Trade Marks)* (1982), 63 CPR (2d) 56 (FCTD) at para 3]. Nevertheless, 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)].

[9] In response to the Registrar's notice, the Owner furnished the affidavit of its President, Frankie Wong. Both parties submitted written representations. Only the Requesting Party attended an oral hearing.

THE EVIDENCE

[10] The Owner is a wholesale distributor of computer hardware, computer peripherals, computer software, consumer electronics, digital video surveillance systems, point of sale system hardware and software (para 4). The Owner also acts as an authorized service provider for manufacturers of computer hardware and computer software (para 7).

[11] Mr. Wong includes copies of invoices, business cards, envelopes, letterheads, brochures, leaflets, electronic communications, and advertising, as well as photographs of signage and printouts of the Owner's website, all of which feature the Mark.

[12] Mr. Wong notes that the Mark does not appear on the goods themselves because "it is not customary in the normal course of trade in the industry for computer products assembled and distributed by a distributor like the [Owner] to be marked with the trademark of the distributor" (para 9).

ANALYSIS

No Use of the Mark With Manufacturing Services

[13] I do not find that the Owner has shown use of the Mark with the service "Manufacture ... of computer hardware, computer peripherals and computer software". In his affidavit, Mr. Wong describes the Owner as a wholesale distributor and authorized service provider for manufacturers. Other than his assertion at paragraph 3 that the Owner has used the Mark in Canada on the goods and services in the registration, Mr. Wong is silent on whether the Owner offers any manufacturing services, nor does he identify that the invoices and emails which detail the Owner's use of the Mark as evidence of manufacturing services but rather indicates that this

evidence is for “assembly”, “installation”, “servicing”, “repair and maintenance”, and “user and computer technical support” services (para 8, Exhibits 8-1 to 8-9).



[14] Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with “Manufacture ... of computer hardware, computer peripherals and computer software” within the meaning of sections 4(2) and 45 of the Act. As the Owner furnished no evidence of special circumstances excusing non-use of the Mark in association with this service, it will be deleted from the registration.

Use of the Mark With the Remaining Services is Shown

[15] I find that there is evidence of use of the Mark in association with the remaining services. A trademark is deemed to be used in association with services if it is displayed in the performance or advertising of those services. With respect to display of the Mark, Mr. Wong provides invoices including the Mark and photographs of the Mark on signage displayed at the entrances of the Owner’s sales office and the customer pick-up and service centre as they appeared during the relevant period. With respect to the actual performance of the remaining services, Mr. Wong provides invoices and correspondence which indicate that the Owner rendered services that match those set out in the registration. For ease of reference, the specific evidence relied on for the performance of the remaining services is indicated in brackets:

... assembly, servicing and distribution of computer hardware, computer peripherals and computer software (Exhibits 8-1, 8-3 to 8-5); repair and maintenance services for computer equipment (Exhibit 8-6); user support services (Exhibits 8-7 to 8-9); computer technical support services (Exhibits 8-7 to 8-9); installation of computer networks and computer systems (Exhibit 8-2).

[16] The Requesting Party submits that the trademark that appears in the evidence is not the Mark as registered:

The Mark as registered	The trademark in evidence
	

[17] The Requesting Party submits that the Mark does not appear as registered because of the addition of the words “Access to more | Products for less” and the “®” trademark symbol citing *COMPO Expert GmbH v The Professional Gardener Co Ltd*, 2018 TMOB 56 at para 40. In that decision, however, the Registrar states in the same paragraph that “[t]he placement of a trademark registration symbol may be a relevant factor to consider in this respect, but is not necessarily determinative” (emphasis added). I find that the trademark in evidence is use of the Mark even though it appears with the “®” symbol and at the same time as another trademark as the Mark appears on a separate line and in a different font and size than the tagline below and as such maintains its identity and is recognizable [*Rogers, Bereskin & Parr v Canada (Registrar of Trade Marks)* (1986), 9 CPR (3d) 260 (FCTD) at para 15; *AW Allen Ltd v Canada (Registrar of Trade Marks)* (1985), 6 CPR (3d) 270 (FCTD); *Registrar of Trade Marks v. Compagnie Internationale pour l’Informatique CII Honeywell Bull*, (1985), 4 CPR (3d) 523 at 525 (FCA)].

[18] Accordingly, I am satisfied that the Owner has demonstrated use of the Mark in association with the following services within the meaning of sections 4(2) and 45 of the Act:

... assembly, servicing and distribution of computer hardware, computer peripherals and computer software; repair and maintenance services for computer equipment; user support services; computer technical support services; installation of computer networks and computer systems.

No Use or Special Circumstances Shown with Respect to the Registered Goods

[19] Mr. Wong concedes that the Mark is not affixed to the registered goods the Owner distributes (Wong affidavit, para 9).

[20] I do not find that there is use as the invoices do not provide the requisite notice of association between the Mark and the registered goods. In his affidavit, Mr. Wong describes the Owner as a wholesale distributor and authorized service provider for manufacturers. Indeed, the invoices Mr. Wong attaches to his affidavit appear to identify other parties, including ASUS, MICROSOFT, VONNIC, INTEL, SAMSUNG and TOSHIBA, as the source of the goods. As a result, this case is distinguishable from the *Hortilux Schreder BV v Iwasaki Electric Co*, 2012 FCA 321 case relied upon by the Owner. In all of the Owner’s invoices, the Mark only appears in the upper left corner and not in the body. As such, I find that this does not constitute use of the

Mark in association with the registered goods listed in the invoices [*Tint King of California Inc v Canada (Registrar of TradeMarks)*, 2006 FC 1440 at para 32].

[21] The Owner cites *Sim & McBurney v Parts Now! LLC*, 2011 TMOB 104, and *Dominion Automotive Group Inc v Firebolt Engine Installation Centres* (1998), 86 CPR (3d) 403 (TMOB), to support its contention that there is use and notice of association between the Goods and the Mark. However, the present proceeding is distinguishable from those cases. The Owner has not provided examples of any materials (other than the invoices) shipped with the goods sold. In *Parts Now!* the registered goods were “new and refurbished components and subassemblies for printers” and the owner provided a Warranty and Return Policies sheet and a Toner Warranty sheet bearing the PARTS NOW! trademark to customers. Further, in *Dominion Automotive*, the registered goods at issue were “remanufactured engines” and they corresponded to what was sold. In the present case, the Owner submits that it sells systems of goods that it puts together; however, other than the Internet digital video surveillance systems, none of the registered goods are systems. In addition, the invoice for Internet digital video surveillance systems (Exhibit 6-7) identifies another party, VONNIC, as the source of the goods.

[22] Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with any of the registered goods. As the Owner furnished no evidence of special circumstances excusing non-use of the Mark in association with any of the registered goods, they will be deleted from the registration. While Mr. Wong provides at para 9 of his affidavit that the Mark does not appear on the goods themselves because “it is not customary in the normal course of trade in the industry”, this suggests that this practice is common to the trade, and thus would not constitute special circumstances which are circumstances or reasons that are unusual, uncommon or exceptional [*John Labatt Ltd v The Cotton Club Bowling Co* (1976), 25 CPR (2d) 115 (FCTD) at 123].

DISPOSITION

[23] 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 statement of goods in its entirety and to delete the registered services shown ~~struckout~~ below:

~~Manufacture~~, assembly, servicing and distribution of computer hardware, computer peripherals and computer software; repair and maintenance services for computer equipment; user support services; computer technical support services; installation of computer networks and computer systems.

[24] The amended statement of services will read as follows:

Assembly, servicing and distribution of computer hardware, computer peripherals and computer software; repair and maintenance services for computer equipment; user support services; computer technical support services; installation of computer networks and computer systems.

Natalie de Paulsen
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Schedule A: Original Statement of Goods and Services

Goods:

- (1) Computer hardware and computer peripherals, namely, personal and handheld computers, central processing units, CD-ROMs, cables, connectors, circuit boards, hard and floppy disk drives, tape drives, fans, keyboards, memory cards, modems, monitors, motherboards, mice, networking routers, networking switches, notebook computers, optical drives, power supplies, printers, scanners, servers, sound cards, speakers, uninterruptible power supplies and video cards, and instruction manuals sold therewith as a unit for all the aforesaid goods.
- (2) Computer software, namely, computer program which provides an interface to the computer hardware.
- (3) Consumer electronics, namely, televisions, home theatre systems, DVD players, portable DVD players, digital video recorders, digital cameras, gaming and accessories, namely, game pads, controllers and joysticks.
- (4) Internet digital video surveillance systems that allow users to view live digital surveillance video through a web browser.
- (5) Point of sale system hardware, namely, barcode printers, receipt printers, barcode scanners, cash drawers, cash drawer organizers, cash registers, pole displays and credit card and cheque readers; point of sale system software for retail and wholesale management, restaurants, bars and fast-food restaurants and inventory control.

Services:

- (1) Manufacture, assembly, servicing and distribution of computer hardware, computer peripherals and computer software; repair and maintenance services for computer equipment; user support services; computer technical support services; installation of computer networks and computer systems.

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

HEARING DATE 2021-01-28

APPEARANCES

No one appearing

For the Registered Owner

Lorraine Pinsent

For the Requesting Party

AGENTS OF RECORD

Perley-Robertson, Hill & McDougall LLP

For the Registered Owner

MLT Aikins LLP

For the Requesting Party