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LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 96

Date of Decision: 2021-05-20

IN THE MATTER OF A SECTION 45 PROCEEDING

NEXUS LAW GROUP LLP	**Requesting Party**
and	
Take-Two Interactive Software, Inc	**Registered Owner**
TMA521,653 for RAILROAD TYCOON	**Registration**

INTRODUCTION

[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. TMA521,653 for the trademark RAILROAD TYCOON (the Mark), currently owned by Take-Two Interactive Software, Inc (the Owner).

[2] All references are to the Act as amended June 17, 2019 (the Act), unless otherwise noted.

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

> Games, namely, computer games and video games and multimedia video computer games.

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

THE PROCEEDINGS

[5] At the request of NEXUS LAW GROUP LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on May 1, 2018, to POPTOP SOFTWARE, INC, the recorded registered owner of the Mark at that time.

[6] On March 14, 2019, the Registrar recorded the assignment of the Mark to Take-Two Interactive Software, Inc. The assignment of the Mark will be discussed in more detail below.

[7] On January 2, 2019, the Mark was amended, by request under section 41(1)(c), with the deletion of "model railroad toy" and "and content books and periodical and clothing, namely T-shirts, hats, and knapsacks" from the registration.

[8] 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 May 1, 2015 to May 1, 2018 (the Relevant Period).

[9] The relevant definition of use in the present case is set out in section 4(1) 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.

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

[11] In response to the Registrar's notice, the Owner furnished the affidavit of Matthew Breitman, the Deputy General Counsel & Secretary, Legal of the Owner, sworn on March 1, 2019, together with Exhibits A and B.

[12] Neither party submitted written representations and no oral hearing was held.

THE EVIDENCE

[13] Mr. Breitman attests that the Owner is a leading developer, publisher and marketer of interactive games designed for console systems, personal computers, smartphones and tablets sold and delivered through physical retail, digital download and online platforms.

[14] In his affidavit, Mr. Breitman then provides rounded figures of the number of units (approximately 4000) of the goods sold per year in Canada with an approximate value of $25,000 USD per year during the Relevant Period [para 12]. He states that throughout the Relevant Period, the Mark appeared prominently on the physical and digital cover of the goods as shown in Exhibit A [para 8] and that they were sold in Canada in the ordinary course of trade through the digital platform 'Steam' [para 9].

ANALYSIS AND REASONS FOR DECISION

ASSIGNMENT OF THE MARK

[15] As previously indicated, ownership of the Mark was transferred by an assignment request dated March 1, 2019 and recorded on the register on March 14, 2019. The assignment documents indicate a change in title with an effective date of August 1, 2006 and recognizes Take-Two Interactive Software, Inc. as the Owner of the Mark as of that date.

[16] For the purposes of section 45 proceedings, an unrecorded assignment effected prior to the notice date, may be recorded *nunc pro tunc* on the register, as long as the prior assignment is established, through evidence, to the Registrar's satisfaction. In this regard, the Federal Court of Appeal advises to view with skepticism transactions post-dating the Section 45 notice [*Marcus, carrying on business as Marcus & Associates v Quaker Oats Co. of Canada*, (1986) 20 CPR (3d) 46 (FCA)].

[17] In this case, the assignment documents include an assignment request titled "Recordal of Assignment Document" and an affidavit from Mr. Breitman. In his affidavit, he states that effective on August 1, 2006, POPTOP SOFTWARE, INC., assigned its U.S. trademark for RAILROAD TYCOON to Take-Two Interactive Software, Inc and provides the 2006 U.S. assignment document as an Exhibit. He explains that it was through inadvertence that the assignment document only referenced the U.S. trademark and should have included the Canadian trademark as well. He also adds that all other assets of POPTOP SOFTWARE, INC. were assigned to Take-Two Interactive Software, Inc. and that POPTOP SOFTWARE, INC. was administratively dissolved effective in 2009.

[18] A confirmatory assignment document signed and filed after its effective date, and after the issuance of a Section 45 Notice, has been considered acceptable by the Registrar, if the assignment is determined to be *nunc pro tunc* and not retroactive in effect. Based on my review of the assignment documents filed under section 48 of the Act explained above, I am satisfied that the language in the documents is confirmatory rather than retroactive in nature [see *Star-Kist Foods Inc v Canada (Registrar of Trade Marks)* (1988), 20 CPR (3d) 46 at 49 (FCA)].

[19] The transfer in title from POPTOP SOFTWARE, INC., to Take-Two Interactive Software, Inc., was properly recorded *nunc pro tunc* on March 14, 2019 with an effective date of transfer of either August 1, 2006 or the date of the dissolution of POPTOP SOFTWARE, INC in 2009; as no specific date is provided, December 31, 2009. In light of the events of 2009, there is no need to decide whether the effective date of transfer is in 2006 or 2009 as both predates the section 45 notice. Given the above, I am satisfied that the evidence provided by Take-Two Interactive Software, Inc. was properly furnished by the Owner of the Mark.

ANALYSIS OF USE

[20] Given that no party has submitted written representations and based on the evidence described above, the only question left is to determine whether or not the evidence establishes use of the Mark in Canada during the Relevant Period in association with the goods within the meaning of section 4(1) of the Act.

[21] Although invoices are not mandatory in order to satisfactorily reply to a section 45 notice [*Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD)], some evidence of a transfer in the normal course of trade in Canada is necessary [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. In the present case, the Owner has provided clear sworn statements of fact regarding the volume of sales of the goods in Canada by unit and dollar value during the Relevant Period [see, for example, *1471706 Ontario Inc v Momo Design srl*, 2014 TMOB 79] in the Affidavit of Mr. Breitman [para 12].

[22] Given that the Owner has shown sales of its goods in Canada during the Relevant Period in the normal course of trade, and has shown that the Mark appeared on the cover of the goods themselves, as described above, I am satisfied that the Owner has shown use of the Mark in Canada within the meaning of sections 4 and 45 of the Act.

DISPOSITION

[19] In view of the above, pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be maintained in compliance with the provisions of section 45 of the Act.

Martin Béliveau
Chairperson
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

GOWLING WLG (CANADA) LLP	For the Registered Owner
NEXUS LAW GROUP LLP	For the Requesting Party