



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 102

Date of Decision: 2021-05-26

IN THE MATTER OF A SECTION 45 PROCEEDING

Gowling WLG (Canada) LLP

Requesting Party

and

Edmonds Batteries Ltd.

Registered Owner

TMA868,636 for RoughNeck

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. TMA868,636 for the trademark RoughNeck (the Mark), owned by Edmonds Batteries Ltd. (the Owner).

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

(1) Automotive batteries, marine batteries, golf cart batteries, tractor batteries, semi truck batteries, heavy industrial batteries, deep cycle batteries.

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

THE PROCEEDING

[4] At the request of Gowling WLG (Canada) LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act to the Owner on January 11, 2019.

[5] The notice required the Owner to show whether the Mark was 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 between January 11, 2016 and January 11, 2019.

[6] The relevant definition of “use” in association with 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.

...

4(3) A trademark that is marked in Canada on goods or on the packages in which they are contained is, when the goods are exported from Canada, deemed to be used in Canada in association with those goods.

[7] In the absence of use, pursuant to section 45(3) of the Act, a trademark is liable to be expunged, unless the absence of use is excused by 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. The evidence in a section 45 proceeding need not be perfect; indeed, a registered owner need only establish a *prima facie* case of use within the meaning of sections 4 and 45 of the Act [see *Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184]. This burden of proof is light; evidence

must only supply facts from which a conclusion of use may follow as a logical inference [per *Diamant* at para 9].

[9] In response to the Registrar's notice, the Owner submitted the statutory declaration of Lucas Aaron Smith, declared on April 8, 2019.

[10] Only the Requesting Party filed written representations. No oral hearing was held.

OVERVIEW OF THE OWNER'S EVIDENCE

[11] Mr. Smith declares that he is the manager of the Owner's Abbotsford location, a position he has held since 2013. He explains that the Owner is "a retailer of industrial and commercial batteries for cars, trucks, RVs and other vehicles, and operates 4 retail stores in various locations in British Columbia".

[12] Mr. Smith declares that the Owner has sold and continues to sell batteries "under [the Mark]" in Canada during the relevant period. In support, Mr. Smith attaches, as Exhibits J to Q, invoices issued by the Owner in relation to sales of various types of batteries described by Mr. Smith as "Roughneck labelled". These invoices will be discussed in greater detail in the analysis section.

[13] As Exhibits C to I, Mr. Smith provides internal customer information sheets showing information regarding some of the Owner's customers, including five customers with an address in British Columbia.

[14] Mr. Smith states that the Owner purchases and affixes labels bearing the Mark to "specific battery types" it sells. In support, he provides two invoices issued by Associated Labels and Packaging as well as two invoices issued by ALI Label Systems as Exhibits A and B, respectively. As pointed out by the Requesting Party, these invoices are dated before and after the relevant period. However, Mr. Smith declares that the Owner has been using these labels since at least January 2014.

[15] As Exhibits R to W, Mr. Smith attaches photographs taken after the relevant period, on February 2, 2019 and on March 1, 2019, of the Owner's batteries, including batteries Mr. Smith identifies as a "semi truck battery", a "heavy industrial battery", an "automotive battery", a "marine battery" and a "deep cycle battery". The Mark is prominently displayed on all of the photographed batteries.

[16] Finally, as Exhibit X, Mr. Smith attaches a photograph taken on March 1, 2019 of "ROUGHNECK signage that is displayed within the Abbotsford store showroom of [the Owner]". A sign which reads "ROUGHNECK Heavy Duty Batteries" hangs on the wall of the showroom together with various type of batteries.

PRELIMINARY REMARKS REGARDING EXHIBIT X

[17] The Requesting Party argues, first, that the showroom photograph is irrelevant as it was taken after the relevant period and, second, that the photograph appears to have been "staged to emphasize the prominence of the sign". On the latter point, the Requesting Party argues that sign "projects unusually from the wall, in such a manner that it partially obscures the clock and is position in front of flyers or advertisements that are behind the wall" and that, as a result of this alleged staging, a negative inference ought to be drawn "as to the declarant's credibility".

[18] In the present case, there is no need to rely on the showroom photograph as evidence of use of the Mark. Instead, although it is dated outside the relevant period, the photograph further supports Mr. Smith's sworn statements regarding the Owner's business of operating retail stores. As such, the fact that the photograph was taken shortly after the relevant period is inconsequential.

[19] Moreover, despite the Requesting Party's submissions, I see nothing in the photograph that would persuade me to draw a negative inference as to the credibility of Mr. Smith's statements.

ANALYSIS AND REASONS FOR DECISION

No use in association with “golf cart batteries”

[20] As pointed out by the Requesting Party, there is no evidence of use of the Mark in association with “golf cart batteries”. Mr. Smith does not make reference to “golf cart batteries” anywhere in his declaration, nor does he provide invoices evidencing sales of such goods or even a general statement to the effect that the Owner has used the Mark in association with all of the registered goods.

[21] Accordingly, I am not satisfied that the Owner has shown use of the Mark in association with “golf cart batteries” within the meaning of sections 4 and 45 of the Act and as the Owner has not provided evidence of special circumstances that would excuse non-use, I conclude that these goods ought to be deleted from the registration.

Use in association with the remaining goods

[22] The Requesting Party raises a number of issues with respect to the Owner’s evidence and submits that the Owner has failed to show use of the Mark.

[23] While there may exist slight imperfections in the Owner’s evidence if each of the exhibits is individually and meticulously examined, it is important to consider the evidence as a whole [*Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB)]. In this sense, even though some of the Requesting Party’s representations are not without merit (as I will explain in greater detail below), the approach consisting of dissecting and considering in isolation each item of evidence submitted by the Owner is inappropriate in my opinion. The exhibits must be understood in light of the information provided in Mr. Smith’s declaration as a whole, not as stand alone documents.

Evidence of transfers

[24] In the present case, the Owner has filed evidence of transfers in the form of invoices. As the Requesting Party points out, some of the invoices are dated outside the relevant period. Those invoices can therefore not be considered to show use during the relevant period.

[25] Nevertheless, many exhibited invoices are dated within the relevant period. These show sales by the Owner of goods identified by Mr. Smith in his declaration as:

- an “automotive battery” and a “deep cycle battery” (para 15, Exhibit J);
- a “marine battery” (para 16, Exhibit K);
- a “heavy industrial” and “semi truck” batteries (para 17, Exhibit L);
- a “garden tractor battery” (para 18, Exhibit M);
- an “automotive battery” (para 19, Exhibit N);
- “batteries” (para 20, Exhibit O);
- “batteries” (para 21, Exhibit P); and
- “semi truck batteries” (para 22, Exhibit Q).

[26] Mr. Smith does not identify the types of batteries referenced in the Exhibit O and P invoices. However, I note that the product codes shown in these exhibits, namely N-100L, 31P-9(MF) and 4D-HD(MF), are identical to those shown in other exhibited invoices. Mr. Smith describes those invoices as sales of “heavy industrial” (N-100L in Exhibit M), “semi truck” (31P-9(MF) in Exhibit L) and “heavy industrial” (4D-HD(MF) in Exhibit L) batteries. In any event, the Exhibit O and P invoices do not materially affect the outcome of this proceeding as they evidence sales of goods already featured in those other exhibited invoices.

[27] Further, as noted by the Requesting Party, it is unclear whether the buyers in the Exhibit N and P invoices are located in Canada. On the other hand, it is worth noting that the customers identified in all other exhibited invoices have addresses in British Columbia. That being said, given that the seller is located in Canada, the invoices could support either transfers of the invoiced goods within Canada pursuant to section 4(1) of the Act, or export of such goods pursuant to section 4(3). In any event, each of the goods listed in the Exhibit N and P invoices is also listed in other invoices (in which the buyer has an address in Canada).

[28] The Requesting Party argues that the invoices cannot be relied on to show use of the Mark in association with the registered goods because there is “nothing on the face of the invoices themselves” or elsewhere in the evidence (in the form of a catalogue or other document) identifying the specific goods which correspond to the product codes shown in the invoices and, as a result, the Owner “has not made the necessary connection between the invoices included in evidence and any goods bearing the [Mark]”.

[29] However, a declarant’s statements are to be accepted at face value and must be accorded substantial credibility in a section 45 proceeding [*Oyen Wiggs Green & Mutala LLP v Atari Interactive Inc*, 2018 TMOB 79 at para 25]. As indicated at paragraph 25 above, Mr. Smith identifies the types of batteries referenced in the invoices as: “automotive batteries”, “marine batteries”, “garden tractor batteries”, “semi truck batteries”, “heavy industrial batteries” and “deep cycle batteries” (hereinafter collectively referred to as the Remaining Goods). I therefore accept that the evidenced invoices show at least one sale of each of the Remaining Goods.

Display of the Mark

[30] Although the Requesting Party submits that it is unclear whether the Mark was displayed on the goods at the time of transfer, Mr. Smith declares that “labels bearing the ROUGHNECK name” are purchased and affixed to batteries sold by the Owner “since at least January of 2014” and refers to these labels throughout his declaration as “ROUGHNECK labels”. Mr. Smith also explains that the exhibited invoices relate to the sale of “Roughneck labelled” batteries and

provides photographs of batteries “bearing the ROUGHNECK label” as examples of how the Mark is displayed on goods.

[31] While I am aware that the photographs were taken after the relevant period, the evidence as a whole must be considered and reasonable inferences can be made from the evidence provided [*Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64]. In this regard, the Federal Court has recently reiterated that “[d]rawing an inference is a matter of reasonably probable, logical deductions from the evidence” [*Sim & McBurney v En Vogue Sculptured Nail Systems Inc*, 2021 FC 172 at para 15]. Considering the evidence as a whole, I find it reasonably probable and I am prepared to infer that a label bearing the Mark such as the one shown in the photographs was similarly affixed to batteries sold by the Owner during the relevant period.

Sales in the normal course of trade

[32] The Requesting Party argues that because there are only a few invoices to show sales, it was incumbent on the Owner to provide evidence as to what constitutes its normal course of trade. In other words, the Requesting Party argues that without sufficient details as to the context of the evidenced sales, it is not possible to determine whether they occurred in the normal course of trade and that this ambiguity must be resolved against the Owner.

[33] On this point, there is no dispute that a single sale can suffice to establish use for the purposes of section 45 expungement proceedings, so long as it follows the pattern of a genuine commercial transaction in the normal course of trade and is not seen as deliberately manufactured or contrived to protect the registration [see *Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD) at para 12].

[34] In the present case, Mr. Smith clearly states that the Owner “is a retailer of industrial and commercial batteries”. In support, he provides internal documents regarding the Owner’s customers he describes as “customer information sheets”, as well as invoices for sales of batteries to those customers. Mr. Smith also explains that the Owner “operates 4 retail stores in

various locations in British Columbia” and provides a photograph taken shortly after the relevant period depicting the Owner’s Abbotsford location. Consistent with Mr. Smith’s statements, I note that the exhibited invoices display the addresses of four locations in British Columbia.

[35] The evidence is clear that the Owner is a retailer and sells batteries directly to its customers. I see nothing in the evidence that would persuade me that the sales evidenced by the exhibited invoices are not genuine and did not take place in the normal course of trade.

[36] In view of the foregoing, the Owner has provided more than mere statements of use and I am satisfied that the Owner has shown use of the Mark in association with the Remaining Goods within the meaning of sections 4 and 45 of the Act.

DISPOSITION

[37] 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 “golf cart batteries”.

[38] Accordingly, the registration will be maintained in association with the following goods only:

(1) Automotive batteries, marine batteries, tractor batteries, semi truck batteries, heavy industrial batteries, deep cycle batteries.

Eve Heafey
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

No Agent Appointed

For the Registered Owner

Gowling WLG (Canada) LLP

For the Requesting Party