

LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 144

Date of Decision: 2021-07-19

IN THE MATTER OF A SECTION 45 PROCEEDING

MLT Aikins LLP

Requesting Party

and

**MDL Diamond Merchants Div. of
Mimar Diamond Ltd. (Ont. Corp)**

Registered Owner

**TMA546,527 for
HEARTS AND ARROWS**

Registration

INTRODUCTION

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA546,527 for the trademark HEARTS AND ARROWS (the Mark).

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

(1) Diamonds and finger rings.

[3] For the reasons that follow, I conclude that the registration ought to be maintained only with respect to diamonds.

THE PROCEEDING

[4] At the request of MLT Aikins LLP (the Requesting Party), the Registrar of Trademarks issued a notice pursuant to section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) to MDL Diamond Merchants Div. of Mimar Diamond Ltd. (Ont. Corp) (the Owner) on March 15, 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.

[6] In this case, the relevant period for showing use is between March 15, 2016 and March 15, 2019. In the absence of use during this period, pursuant to section 45(3) of the Act, the Mark is liable to be expunged, unless the absence of use is excused by special circumstances.

[7] In response to the Registrar's notice, the Owner submitted the affidavit of Ilya Mimar (the Affiant), Director and Officer of the Owner, sworn on June 4, 2019. Only the Requesting Party filed written representations.

[8] Following the submission of the Requesting Party's written representations, the Owner filed a second affidavit on December 17, 2019. The Registrar placed this affidavit on file but refused to make it of record as the deadline to file evidence had expired on June 15, 2019, and the Owner did not request an extension of time under section 47 of the Act.

[9] No oral hearing was requested.

SUMMARY OF THE OWNER'S EVIDENCE

[10] The Owner's evidence, namely the first Mimar affidavit (the Mimar Affidavit), can be summarized as follows.

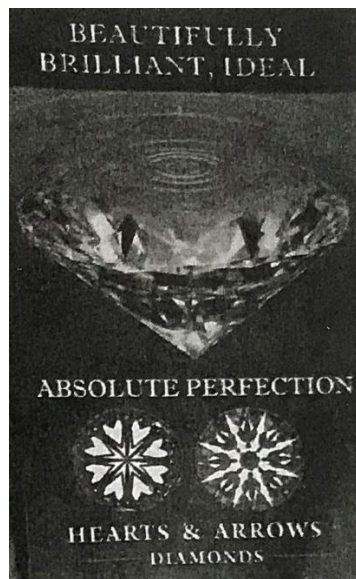
[11] The Owner is a corporation operating in the diamond business and has a corporate office in Toronto. The Owner does not sell directly to the public.

[12] According to the Affiant, the Mark "has been used as a brand to identify a brand of diamonds sold by [the Owner] since May 16, 2001" and in particular, that a "microscopic etching of the brand" can be found on all diamonds. The Affiant defines these goods as "the Product". Attached as Exhibit A to the Mimar Affidavit are copies of third party certificates which provide information on particular diamonds. Although the image quality of some of the exhibited certificates is poor, I note that in the Comments section of at least three of them refers to an inscription on the girdle, namely "Girdle Inscribed: Hearts & Arrows" or "Girdle Inscribed: H & A", followed by an eight or nine-digit number. The certificates also include the statement "Diamond shows Hearts and Arrows".

[13] The Affiant attests that the Owner uses the Mark "as a label on the display packaging for all Products". Attached as Exhibit B to the Mimar Affidavit are photographs of "display packaging and the Product presently stocked" representative of that used since 2001. Although I am unable to discern a photograph of diamonds, I note that "HEARTS & ARROWS™", is displayed on the top of what appears to be a product box. The term "HEARTS & ARROWS" also appears on posters and a cylindrical container.

[14] The Affiant also attests that the invoices issued by the Owner in respect of sales of the Product include the Mark. Attached as Exhibit C to the Mimar Affidavit are samples of invoices which have been used since 2001. There are two invoices dated within the relevant period. These were both issued by the Owner to retail customers in Alberta and Ontario; the billing addresses of these customers are the same as their shipping addresses. The product descriptions in the body of both invoices identify the products sold as "Loose Assorted Diamonds ... Hearts & Arrows".

[15] Finally, according to the Affiant, sales of Products by the Owner are accompanied by educational literature and advertising which displays the Mark. Attached as Exhibit D to the Mimar Affidavit is a copy of a pamphlet used since 1999. The pamphlet provides information on and promotes “Hearts & Arrows Diamonds” and the “Hearts and Arrows Cut” in the text of the pamphlet. For instance, it explains that “[a] True Hearts & Arrows TM Ideal Cut Diamond is the ultimate and most brilliant in the world.” An excerpt of Exhibit D, showing the pamphlet cover page, is reproduced below.



PRELIMINARY REMARKS REGARDING DEVIATION

[16] As pointed out by the Requesting Party, some of the evidence – such as the pamphlet and product box – displays the term HEARTS & ARROWS. This term differs slightly from the Mark as registered.

[17] Nevertheless, in my view, the replacement of the word “and” with an ampersand does not cause the Mark to lose its identity. The dominant features, namely the combination of the words HEARTS followed by ARROWS, having been preserved, I find that the Mark remains recognizable [per *Canada (Registrar of Trade-marks) v Cie Internationale pour l’informatique*

CII Honeywell Bull (1985), 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA)], such that the display of “HEARTS & ARROWS” amounts to display of the Mark.

ANALYSIS

[18] 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 [see *Union Electric Supply Co v Canada (Registrar of Trade Marks)* (1982), 63 CPR (2d) 56 (FCTD) at para 3]. Even evidence of a single sale can be sufficient to establish use for the purposes of these proceedings, so long as it follows the pattern of a genuine commercial transaction 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].

[19] The relevant definition of use 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.

[20] At the outset, I note that the Owner has provided no evidence relating to finger rings. As there is no evidence of special circumstances before me which could excuse non-use of the Mark, these goods will be deleted.

[21] The remaining question is therefore whether the Owner has shown use of the Mark in association with diamonds. The invoices provided by the Owner evidence sales of diamonds by the Owner in Canada during the relevant period. As such, the issues in this proceeding are first, whether the evidenced sales were in the Owner’s normal course of trade, and second, whether

the requisite notice of association was given to the purchasers of those diamonds. These issues will be addressed in turn.

The evidenced sales were in the Owner's normal course of trade

[22] The Affiant attests that the Owner is in the diamond trade and does not sell directly to the public. The Requesting Party essentially argues that this evidence is insufficient to establish the Owner's ordinary course of business and simply cites *SC Johnson & Son, Inc v The Registrar of Trade Marks* (1981), 55 CPR (2d) 34 (FCTD) in support of that argument. I note that in *SC Johnson*, the affiant furnished no invoices and reproduced the wording of section 4(1) of the Act by stating that "at the time of the transfer of the property in or possession of such wares, in the normal course of trade, the said trade mark was marked on the wares themselves or on the packages in which they were distributed."

[23] In the present case, the Affiant clearly, albeit briefly, describes the Owner's business. Further, the Affiant's description of the business is consistent with the exhibited invoices which show that the Owner sells its goods to jewellers. This evidence is sufficient for me to understand the Owner's normal course of trade and to find that the exhibited invoices evidence sales in the Owner's normal course of trade.

The Mark is sufficiently associated with the Owner's goods

[24] The Requesting Party submits that there is no clear and unequivocal evidence of use of the Mark in association with the Owner's goods. In that regard, the Requesting Party essentially argues that the Mark is not displayed on the goods or their packaging, that it is not otherwise associated with the Owner or its goods, and that any evidenced display of the Mark is merely descriptive of a characteristic of goods, namely the particular cut of the diamonds.

[25] With respect to the Requesting Party's latter argument, it is important to note that section 45 proceedings are not intended to determine whether a registered trademark is being

used in a descriptive sense or to distinguish the Owner's goods from those of others [see *United Grain Growers Ltd v Lang Michener*, 2001 FCA 66 regarding the limited scope of section 45 proceedings, cited approvingly by the Federal Court in *Sim & McBurney v Parry*, 2010 FC 118 at paras 30-31, and by the Federal Court of Appeal in *BCF SENCRL v Spirits International BV*, 2012 FCA 131 at para 5]. As explained by the Federal Court of Appeal, the Registrar's only duty under section 45 is to determine "whether the trademark, as it appears in the Register, has been used in the three years prior to the request" [*United Grain Growers* at para 14].

[26] As for whether the Mark was associated with the diamonds at the time of transfer, I agree with the Requesting Party that there is no evidence showing the Mark on the goods themselves. The Affiant attests that the Mark is etched on the girdle of the diamond and provides third party certificates which purportedly confirm the existence of this microscopic etching, however the etching is not actually shown in the evidence. I also question whether a barely visible etching of the Mark could properly give notice of association.

[27] That being said, I find that the Mark is otherwise associated with the diamonds. Indeed, the Federal Court of Appeal has held that display of a trademark on printed materials that accompany goods at the time of transfer in the normal course of trade may constitute use in association with those goods in certain circumstances where there is notice of association between the trademark and the goods [see *BMW Canada Inc v Nissan Canada Inc*, 2007 FCA 255].

[28] In this case, the Affiant attests that "all Product sales by [the Owner] are accompanied by [the Exhibit D pamphlet]", including during the relevant period. The Mark is displayed on the pamphlet cover page and is present multiple times in the text of the pamphlet, sometimes followed by the trademark symbol.

[29] Although the Mark is used in the body of the pamphlet in combination with additional words and features, such display of the Mark can amount to use within the meaning of section 4 if the public, as a matter of first impression, would perceive the trademark as being used *per se*

[*Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB)]. This is a question of fact which is dependent on whether the Mark stands out from additional material.

[30] Though not determinative, the presence of the trademark symbol in the pamphlet contributes to the Mark standing out from the surrounding material [see *Legault Joly Thiffault SENCRL v Harman International Industries, Incorporated*, 2019 TMOB 58 at para 17; see also *MLT Aikins LLP v Elco Systems Inc*, 2021 TMOB 42 at para 17; *Epic Aviation, LLC v Imperial Oil Limited*, 2020 TMOB 103 at para 20, for the proposition that this symbol “may be considered a factor in the consumers’ perception of the mark”]. Given the display of the Mark on the cover page, and the presence of the trademark symbol following the Mark in the text, I find that the Mark displayed in the pamphlet would be perceived as a trademark by consumers.

[31] I note the Requesting Party’s submission that the pamphlet does “not indicate that it is from [the Owner]”. However, there is no requirement that notice of association be given to the consumer between the Mark and its Owner, and as such, the question of whether the Owner is anywhere identified in the pamphlet is inconsequential.

[32] In any event, the Mark displayed on the product box would also serve to give notice of association of the Mark with the diamonds at the time of transfer. While there is no specific evidence that the Exhibit B display packaging accompanies the goods at the time of transfer, the Affiant attests that such display packaging has been “in use from 2001 to the present”. Moreover, given that the Owner does not have a “walk-in store”, I find it reasonable to infer that the Exhibit B item which appears to be a product box is in fact packaging for the diamonds rather than a mere store display, and that the diamonds are packaged in such boxes when they are sold by the Owner.

[33] Consequently, I am satisfied that customers receiving diamonds sold by the Owner would be given sufficient notice of association between the Mark and those diamonds, and therefore that the evidenced sales constitute use of the Mark in association with diamonds within the meaning of sections 4 and 45 of the Act.

DISPOSITION

[34] Pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be amended to delete “finger rings” in compliance with the provisions of section 45 of the Act.

[35] As a result, the statement of goods will read as follows:

(1) Diamonds.

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

MLT Aikins LLP

For the Requesting Party