



LE REGISTRAIRE DES MARQUES DE COMMERCE  
THE REGISTRAR OF TRADEMARKS

**Citation: 2021 TMOB 173**

**Date of Decision: 2021-08-03**

**IN THE MATTER OF A SECTION 45 PROCEEDING**

**MLT Aikins LLP**

**Requesting Party**

**and**

**Illinois Tool Works, Inc.**

**Registered Owner**

**TMA558,312 for MAGNA & DESIGN**

**Registration**

OVERVIEW

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA558,312 for the trademark MAGNA & DESIGN (the Mark).

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

(1) Welding, brazing and soldering materials, namely, welding electrodes, tempering and cutting electrodes, alloys for soldering, alloys for brazing, alloys for welding, self fluxing alloys, fluxes and passivating amalgoms [sic] for stainless steel, but not including chemical additives for lubricants.

(2) Heat absorbent and heat resistant compounds for preventing heat damage from welding, resin repair compounds for use on metal surfaces, fluxes for use in welding; self-fluxing metallic additives; organic non-corrosive fluxes; mastics for use in welding; compounds to absorb and dissipate heat; common, noble and semi-noble metals and/or

their alloys for welding; flux-cored alloys; welding rods; alloys for sealing, caulking, tempering and coating; heat and/or corrosion-resistant alloys; torch alloys; filler metals; wire and plates for welding and/or brazing; machines and machine tools for brazing and/or coating; consumable electrodes for use in welding; electrodes for electrical brazing; flux coated welding electrodes; gouging and chamfering tools (electrodes); piercing tools (electrodes); die and mould electrodes; water-hardening, air-hardening and oil-hardening tool steel electrodes; electrodes for forging die blocks.

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

#### 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 Illinois Tool Works, Inc. (the Owner) on February 16, 2018.

[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 February 16, 2015 and February 16, 2018. 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 C.K. Leung, sworn on September 13, 2018.

[8] Both parties filed written representations and were represented at an oral hearing.

#### SUMMARY OF THE OWNER'S EVIDENCE

[9] Mr. Leung is the Sales & Marketing Director – Fluids, for Illinois Tool Works Performance Polymers & Fluids Korea Limited (ITW Korea). In his affidavit, he asserts that the Mark has been consistently used in Canada in association with a range of welding, brazing and soldering materials. He explains that ITW Korea manufactures the products described in his affidavit and apposes the Mark on these products.

[10] Mr. Leung states that the licensing agreements between the Owner and ITW Korea are highly confidential, but provides some information regarding the terms of those agreements. In particular, he explains that effective January 1, 2015, the Owner entered into an agreement with ITW Global Investments Inc. (ITW Global) which included the right for ITW Global to sublicense the Owner's trademarks, including the Mark. Under this agreement, ITW Global is required to "cause its sublicensees to act in accordance with quality standards established or approved by [the Owner]" and the Owner retains the right to verify compliance with such quality standards. Effective the same day, ITW Global granted ITW Korea a non-exclusive right and licence to use the Mark. Under this sublicense agreement, ITW Korea agreed to act in accordance with the quality standards established or approved by the Owner.

[11] Effective January 1, 2016, the Owner entered into a new agreement, essentially replacing ITW Global with a new licensee, namely ITW Limited. The sublicense agreement with ITW Korea was therefore assigned from ITW Global to ITW Limited. This licensing arrangement remained in effect throughout the remainder of the relevant period.

[12] Mr. Leung explains that pursuant to a distribution agreement effective throughout the relevant period, sales of goods manufactured by ITW Korea were completed in Canada through ITW Korea's distributor, Eldon Welding Systems (Eldon).

[13] Mr. Leung identifies and describes products sold by Eldon in Canada during the relevant period and reproduces photographs of product packaging for those products in the body of his affidavit. Mr. Leung also attaches invoices issued by Eldon to customers in Canada, as Exhibits A, B and C. These are dated during the relevant period and show the sale of a number of products, including those specifically described in Mr. Leung's affidavit.

[14] The invoiced product names comprise of the term "Magna" followed by an identifier, such as 55, 66F, 100 and 303 Gold. Magna products are also identified with these names in the body of Mr. Leung's affidavit. For greater clarity, the specific invoiced products will be further discussed in the analysis section.

## ANALYSIS AND REASONS FOR DECISION

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

[16] The Requesting Party submits that the Owner has failed to show use of the Mark within the meaning of this section. The Requesting Party’s core arguments are, first, that the Owner has failed to provide adequate evidence showing how the Mark is affixed or otherwise associated to the goods at the time of transfer, and second, that if any use of the Mark is shown, this use does not enure to the benefit of the Owner. These two arguments will be addressed in turn.

### **1) Was the Mark displayed at the time of transfer?**

[17] The Requesting Party essentially argues that the Owner has not properly shown that the Mark was displayed at the time of transfer. In support, the Requesting Party submits that the exhibited invoices do not display the Mark as registered, and that the packaging reproduced in the body of Mr. Leung’s affidavit is “clearly cut and pasted from a brochure of some sort” and should be disregarded as it does not “provide clear enough labeling information to determine any factual evidence regarding the goods on the ‘labelling’”. The Requesting Party also “questions the bald statement that images [of product packaging reproduced in Mr. Leung’s affidavit] were actually used in association with the sale of goods”.

[18] Although I agree with the Requesting Party that the exhibited invoices do not display the Mark as registered, I find that the Owner’s evidence nonetheless shows the Mark displayed on goods at the time of transfer. In particular, the Mark is displayed on the product packaging reproduced in Mr. Leung’s affidavit. Although it is not clearly visible in some of the photographs due to the image quality, Mr. Leung clearly states that “all of the packaging... seen in the photographs, and sold in Canada [during the relevant period], bears [the Mark]”. Moreover, he

explains that his employer, ITW Korea, manufactures the products described in his affidavit and apposes the Mark thereto.

[19] In other words, the photographs of product packaging are representative evidence of how the Mark was used in association with the goods manufactured by ITW Korea and sold in Canada by Eldon. I am therefore satisfied that the Mark was marked on the packaging of the products featured in the body of Mr. Leung's affidavit. I am also prepared to accept that the Mark was so displayed on all of the invoiced Magna products, including those which are not specifically referenced in the body of the affidavit.

[20] As such, contrary to the Requesting Party's submissions, there was no need to provide other materials such as price lists or point-of-sale materials showing how the Mark was displayed at the time of transfer.

## **2) Do the transfers constitute use of the Mark which enures to the benefit of the Owner?**

[21] The Owner has provided evidence of transfers in the form of representative invoices issued by Eldon to customers in Canada. At the hearing, the Requesting Party acknowledged that Eldon is ITW Korea's distributor. However, the Requesting Party submits that there is insufficient evidence regarding the relationship between the Owner and ITW Korea to establish that sales by Eldon enure to the benefit of the Owner.

[22] In particular, the Requesting Party argues that, because Mr. Leung is not employed by the Owner, his statements regarding the control of the quality of the goods by the Owner should be disregarded. In addition, the Requesting Party submits that Mr. Leung's "convoluted explanation" of the licensing arrangement between the Owner and ITW Korea is not sufficient to satisfy the requirements of section 50 of the Act.

[23] It is well-settled law that 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 licence agreement that provides

for the requisite control [*Empresa Cubana Del Tobacco Trading v Shapiro Cohen*, 2011 FC 102 at para 84].

[24] In the present case, the Owner has provided evidence of control in the form of Mr. Leung's sworn statements regarding the control exerted by the Owner on Mr. Leung's employer, namely ITW Korea. Mr. Leung specifically states that he is familiar with the terms of the licensing agreements as they relate to the use and control of trademarks and he provides a summary of relevant terms, including ITW Korea's obligation to act in accordance with the quality standards of the Owner and the Owner's right to verify ITW Korea's compliance with those quality standards.

[25] Given Mr. Leung's position at ITW Korea, I accept that he would have knowledge of the relevant licensing terms and I accept his statements at face value [for similar conclusions, see *FCA US LLC v Pentastar Transportation Ltd*, 2018 TMOB 80 at para 20; *Eveready Battery Co v Outillages King Canada Inc*, 2016 TMOB 178 at paras 12-13]. I find that Mr. Leung's explanations are sufficient to demonstrate the requisite control and, as a result, I am satisfied that any evidenced use of the Mark by ITW Korea through its distributor enures to the Owner's benefit.

**Use of the Mark is shown in association with only some of the asserted goods**

[26] The Owner does not assert use of the Mark in association with the following goods:

- “fluxes and passivating amalgoms [sic] for stainless steel”,
- “Heat absorbent and heat resistant compounds for preventing heat damage from welding”,
- “self-fluxing metallic additives; organic non-corrosive fluxes; mastics for use in welding; compounds to absorb and dissipate heat”,
- “alloys for sealing, caulking, tempering and coating”,
- “wire and plates for welding and/or brazing”,

- “machines and machine tools for brazing and/or coating”,
- “electrodes for electrical brazing” and
- “die and mould electrodes; water-hardening, air-hardening and oil-hardening tool steel electrodes; electrodes for forging die blocks.”

[27] There is no evidence before me regarding the aforementioned goods and no evidence of special circumstances excusing non-use of the Mark. As a result, these goods will be deleted.

[28] As evidence of sales of the remaining registered goods, Mr. Leung provides the exhibited invoices. While I accept these invoices as evidence of sales of the invoiced products, there is limited evidence as to their precise nature and how they correspond to the registered goods. Although Mr. Leung provides correlations between some of the invoiced Magna products and the asserted registered goods, in many cases, he correlates one Magna product with multiple registered goods. For instance, he indicates that Magna 88C is an “alloy for soldering”, an “alloy for welding”, a “flux-cored alloy” and a “torch alloy”.

[29] While I agree with the Owner that evidentiary overkill is not required in a section 45 proceeding, and an owner need only provide some evidence of use with respect to each registered good, it is nonetheless well-established that use evidenced with respect to one specific good cannot serve to maintain multiple goods in a registration. Having distinguished particular goods in the registration, the Owner was obligated to furnish evidence with respect to each of the listed goods [per *John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[30] To the extent that Mr. Leung’s correlates an invoiced product with a single registered good, I am prepared to accept his statements at face value. The only products which are so correlated by Mr. Leung are Magna 88, Magna 202 Gold and Magna 940. Accordingly, on the basis of Mr. Leung’s correlations, I am satisfied that these three products correspond to “fluxes for use in welding”, “alloys for welding” and “resin repair compounds for use on metal surfaces”, respectively.

[31] In some cases, Mr. Leung provides more detailed explanations in his affidavit. For instance, he describes Magna 100 as an “exothermic coated electrode that is ideal for

chamfering, grooving and gouging” and Magna 303 TIG as a “super-strength non-cracking alloy” and I therefore find that these two products correspond most readily with “gouging and chamfering tools (electrodes)” and “heat and/or corrosion-resistant alloys”. Similarly, Mr. Leung describes Magna 66F as “flux-coated silver alloy” and is the only product that Mr. Leung correlates to “alloys for brazing”. As such, I am prepared to accept that this product corresponds with that registered good.

[32] For products which are not specifically referenced by Mr. Leung, some information can be obtained from the brief product descriptions in the exhibited invoices. For example, the invoice product descriptions for Magna 24 and Magna 506 products identify these products as “Aluminum T.I.G. Rod” and “Silver Rods for Copper” respectively. Accordingly, I find that these products correspond most readily with the registered goods “welding rods”. Similarly, the invoices identify Magna 305, 393, 720 and 770 products as various types of electrodes, such as “Cast Iron Electrodes” and “High Tensile Steel Electrodes” and, as such, I find that these products correspond most readily with the registered goods “welding electrodes”.

[33] In other cases, it is possible to combine Mr. Leung’s statements with the product descriptions in the exhibited invoices. For instance, Mr. Leung describes Magna 88C as an alloy and a “low-temperature, high-strength self-fluxing solder”. The same product is identified in the exhibited invoices as “Stainless Solder”. As a result, I am satisfied that Magna 88C products most readily correspond with the registered goods “alloys for soldering”.

[34] I note that certain products are sold in different forms. Indeed, Mr. Leung identifies the Magna 55 product as “MAGNA 55 Welding Alloy and Flux” (my underline). As with other products, he provides photographs of this product’s packaging, but in this case, these include product boxes as well as jars, and Mr. Leung explains that the boxes are “welding alloy” and the jar is “a flux for use in welding”. The exhibited invoices identify this product as “Magna 55 x 3/32 Aluminum Torch Alloy” when it is sold in boxes and as “Magna 55 Flux for Aluminum” when it is sold in jars. As such, I am satisfied that Magna 55 products correspond to both “fluxes for use in welding” and “torch alloys”.

[35] In making the above correlations, I am mindful of the principle that, when interpreting a statement of goods in a section 45 proceeding, one is not to be “astutely meticulous when dealing



with [the] language used” [see *Aird & Berlis LLP v Levi Strauss & Co*, 2006 FC 654 at para 17]. That being said, it is not for the Registrar to speculate as to the nature of the registered goods [*Fraser Milner Casgrain LLP v Fabric Life Ltd*, 2014 TMOB 135 at para 13; *Wrangler Apparel Corp v Pacific Rim Sportswear Co* (2000), 10 CPR (4th) 568 (TMOB) at para 12]. As the subject registration covers fairly specialized goods for welding, brazing and soldering, I am unable to make any further correlations without improperly speculating as to the nature of the invoiced Magna products.

[36] Consequently, and as there is no evidence of special circumstances excusing non-use of the Mark, the following registered goods will be deleted from the registration:

- tempering and cutting electrodes,
- self fluxing alloys,
- common, noble and semi-noble metals and/or their alloys for welding,
- flux-cored alloys,
- filler metals,
- consumable electrodes for use in welding,
- flux coated welding electrodes, and
- piercing tools (electrodes).

#### DISPOSITION

[37] In view 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 registered goods shown in strikethrough font in Schedule A.

[38] The amended statement of goods will therefore read as follows:

(1) Welding, brazing and soldering materials, namely, welding electrodes, alloys for soldering, alloys for brazing, alloys for welding, but not including chemical additives for lubricants.

(2) resin repair compounds for use on metal surfaces, fluxes for use in welding; welding rods; heat and/or corrosion-resistant alloys; torch alloys; gouging and chamfering tools (electrodes).

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Eve Heafey  
Hearing Officer  
Trademarks Opposition Board  
Canadian Intellectual Property Office

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

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**HEARING DATE** July 8, 2021

**APPEARANCES**

Trent Horne	For the Registered Owner
Lorraine Pinsent	For the Requesting Party

**AGENTS OF RECORD**

All the trademark agents at Aird & Berlis LLP	For the Registered Owner
All the trademark agents at MLT Aikins LLP	For the Requesting Party

SCHEDULE A

(1) Welding, brazing and soldering materials, namely, welding electrodes, ~~tempering and cutting electrodes~~, alloys for soldering, alloys for brazing, alloys for welding, ~~self fluxing alloys, fluxes and passivating amalgams [sic] for stainless steel~~, but not including chemical additives for lubricants.

(2) ~~Heat absorbent and heat resistant compounds for preventing heat damage from welding, resin repair compounds for use on metal surfaces, fluxes for use in welding; self fluxing metallic additives; organic non-corrosive fluxes; mastics for use in welding; compounds to absorb and dissipate heat; common, noble and semi-noble metals and/or their alloys for welding; flux cored alloys; welding rods; alloys for sealing, caulking, tempering and coating; heat and/or corrosion-resistant alloys; torch alloys; filler metals; wire and plates for welding and/or brazing; machines and machine tools for brazing and/or coating; consumable electrodes for use in welding; electrodes for electrical brazing; flux coated welding electrodes; gouging and chamfering tools (electrodes); piercing tools (electrodes); die and mould electrodes; water hardening, air hardening and oil hardening tool steel electrodes; electrodes for forging die blocks.~~