



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 179

Date of Decision: 2021-08-13

IN THE MATTER OF A SECTION 45 PROCEEDING

Anissimoff & Associates

Requesting Party

and

Green Marketing Inc.

Registered Owner

TMA821,030 for YIMBY

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. TMA821,030 for the trademark YIMBY (the Mark), which is owned by Green Marketing Inc. (the Owner).

[2] The Mark is registered for use in association with the goods set out in Appendix A, including rain barrels, planters, and composters.

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

THE PROCEEDING

[4] At the request of Anissimoff & Associates (the Requesting Party), the Registrar of Trademarks issued a notice to the Owner under section 45 of the Act on February 19, 2018.

[5] The notice required the Owner to show use of the Mark 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 February 19, 2015 to February 19, 2018.

[6] The relevant definitions of “use” are 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.

...

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

[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 [*Lang Michener, Lawrence & Shaw v Woods Canada* (1996), 71 CPR (3d) 477 (FCTD) at para 9] 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 allow the Registrar to conclude that the Mark was used in association with each of the goods specified in the registration during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA) at para 14].

[9] In response to the Registrar’s notice, the Owner furnished the affidavit of John Walsh, sworn on September 14, 2018. Both parties submitted written representations, and both parties requested and attended an oral hearing.

THE EVIDENCE

[10] In his affidavit, Mr. Walsh identifies himself as the sole owner and only employee of Green Marketing Company (GMC) [para 2]. He explains that he is an entrepreneur and he started GMC in 2008 [para 2]. In his work for GMC, Mr. Walsh states that he develops new products and concepts, creates ideas for branding and trademarking these products and concepts, and carries out business development and marketing for these products and trademarks [para 3]. Mr. Walsh explains that he licenses these product concepts, ideas and trademarks to manufacturing and distribution companies [para 4].

Licensed Use of the Mark

[11] Mr. Walsh attests that GMC licensed the Mark to Forest City Models and Patterns Ltd. (FCMP) for FCMP to use the Mark [para 11], and he attests that the Mark was in use in Canada during the relevant period in association with composters, rain barrels, and planters [para 47]. Mr. Walsh further attests that GMC exercised control over the quality of FCMP products branded with the Mark starting in January 2012 [para 17]. In support, he provides several examples of correspondence between him, FCMP, and customers dealing with quality issues and problems, including correspondence from April 2015 [Exhibits F] and April 2016 [Exhibit G], which are during the relevant period.

[12] However, after a meeting between GMC and FCMP in late 2014 and beginning in 2015, Mr. Walsh states that “things began to deteriorate” and FCMP “began to start doing things behind my back” [para 26]. He further states that, at the end of March 2016, FCMP “purported” to terminate the license agreement and the business relationship between GMC and FCMP [para 27]. According to Mr. Walsh, GMC received \$73,450 in license and service fees from FCMP for use of the Mark during the relevant period [para 27].

Normal Course of Trade

[13] Mr. Walsh explains that products branded with the Mark are manufactured by FCMP and then shipped to retail chains or directly to the final customer [para 14]. In the case of retail chains, Mr. Walsh states that the products are placed in physical stores or sold online, which is where end users purchase the products from the retail chain [para 14].

Transfer and Export of the Registered Goods

[14] Mr. Walsh provides Canadian and US sales figures for products branded with the Mark from September 2015 to August 2017 through various outlets [para 23]. Mr. Walsh states that this information was disclosed to GMC by FCMP in the course of proceedings before the United States Patent and Trademark Office (USPTO) [para 23]. Mr. Walsh attests that the products that were sold were all manufactured by FCMP under license, including planters, composters, and rain barrels [para 23].

[15] In addition, Mr. Walsh provides correspondence between him and a US retail chain from April 2015 relating to composters that were sold by the outlet during the relevant period [para 45; Exhibit T].

[16] Because of the deterioration of the relationship with FCMP, Mr. Walsh states that he was not able to obtain invoices from FCMP between it and the various retail outlets [para 28].

Display of the Mark

[17] Mr. Walsh provides photographs of products, including composters [Exhibits J and M], a rain barrel [Exhibit K], and a rain barrel and planter [Exhibit L]. He states that he took these photos at various outlets in Canada during the relevant period where the products were offered for sale [paras 34 to 37]. The Exhibit J photograph shows the Mark appearing on the packaging of the product, and the photographs at Exhibits K, L, and M show the Mark appearing on pieces of paper and instruction sheets that are placed on top of the products.

[18] Furthermore, Mr. Walsh provides printouts of webpages from Canadian and US retailers where the Mark appears in various product descriptions [Exhibits N to S]. He also provides a

brochure for a product sold by a US retailer where the Mark appears on the first page [Exhibit U].

ANALYSIS AND REASONS FOR DECISION

[19] In its written submissions and at the oral hearing, the Owner requested that only certain registered goods be maintained, namely rain barrels, planters, and composters. As a result, I will focus my analysis on these goods.

[20] As the Owner does not provide any evidence of use or special circumstances excusing non-use of the Mark in association with the remaining registered goods, the registration will be amended to delete such remaining goods.

[21] At the oral hearing, both parties agreed that the evidence shows use of the Mark by FCMP. However, the parties disagreed as to whether the evidenced use was properly licensed use enuring to the benefit of the Owner. In this respect, the Requesting Party notes that the evidence only refers to GMC or Mr. Walsh, and not the Owner. Furthermore, the Requesting Party submits that the evidence does not show that the requisite control was exercised over FCMP's use of the Mark in accordance with section 50 of the Act.

[22] With respect to the evidence only referring to GMC or Mr. Walsh rather than the Owner, I note that the Mark was assigned from GMC to the Owner in October 2017. Given that GMC was the owner of the Mark prior to the assignment, I am satisfied that GMC was in a position to provide evidence regarding use of the Mark for the portion of the relevant period up to October 2017.

[23] In addition, given that Mr. Walsh identifies himself as the sole owner and only employee of GMC, I accept that he carries out activities in his capacity at GMC when he refers to himself in the first person at certain points in his affidavit.

[24] With respect to the requisite control issue, however, the Owner has the burden of satisfying the Registrar that direct or indirect control was exercised over the character or quality of goods manufactured by FCMP [per *Empresa Cubana del Tabaco v Shapiro Cohen*, 2011 FC 102 at para 83, aff'd 2011 FCA 340]. The Owner submits that two methods have been used in

this case to demonstrate the control required under section 50 of the Act: (1) Mr. Walsh swears to the fact that GMC exercised the requisite control; and, (2) Mr. Walsh provides evidence that demonstrates that GMC exercised the requisite control [per *Empresa Cubana* at para 84].

[25] I agree with the Owner in principle that a sworn statement is one way to demonstrate the requisite control and, in the absence of evidence to the contrary, an affiant's sworn statement is to be accepted at face value and such statements should be afforded substantial credibility. This case, however, is rather unique: the Owner's own evidence contradicts the sworn statement of control provided by the affiant.

[26] On the one hand, Mr. Walsh attests that GMC exercised control over the quality of goods manufactured by FCMP; he provides examples of correspondence between him, FCMP, and customers dealing with quality issues and problems; and, he attests that GMC received \$73,450 in license and service fees from FCMP for use of the Mark during the relevant period.

[27] On the other hand, after a meeting between GMC and FCMP in late 2014 and beginning in 2015, Mr. Walsh states that "things began to deteriorate" and FCMP "began to start doing things behind my back" and, at the end of March 2016, he further states that FCMP "purported" to terminate the license agreement and the business relationship between GMC and FCMP.

[28] Due to the inconsistencies in the evidence on this issue, and given that the relationship between GMC and FCMP started to deteriorate and FCMP started carrying out activities on its own as early as "late 2014" and "beginning in 2015", I am unable to conclude that direct or indirect control was exercised over the character or quality of goods manufactured by FCMP as required under section 50 of the Act during the relevant period, namely February 19, 2015 to February 19, 2018.

[29] In view of all of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark within the meaning of sections 4 and 45 of the Act in association with the registered goods, and the Owner has not provided any special circumstances excusing non-use of the Mark. I would note that even if I were to consider the deterioration of the relationship as special circumstances, there is no evidence to indicate when, if at all, use of the Mark in Canada by the

Owner will resume [per *Scott Paper Ltd v Smart & Biggar*, 2008 FCA 129 at para 30; and *One Group LLC v Gouverneur Inc*, 2016 FCA 109 at para 6].

[30] Accordingly, 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 expunged.

Bradley Au
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

APPENDIX A: ORIGINAL STATEMENT OF GOODS

Goods:

(1) Products for use in backyard or home, namely watering products, namely, rain barrels, large water tanks, hoses, watering cans, rain gauges, backyard ponds and fountains, irrigation supplies, grey water recovery systems; birding products, namely, bird houses, bird baths, bird seed; products for food preservation and canning, namely, kitchen tools, harvesting tools, drying equipment, how-to books; gardening products, namely, planters and pots, raised garden beds, gardening tools and equipment, seeds, soils, mulches, compost, weed barriers, lawn edging, gardening carts, wheel barrels, decorative stones and pavers, lawn ornaments and statutes, plant growing kits, green houses, materials for plant protection and support, namely, jute, burlap, plastic fencing, tomato cages, trellises, clips and twine; decorative iron ornaments, namely, metal wind spinners, wind chimes, ornamental iron made from scrap metal, plant holders and hooks; products to facilitate recycling, namely, storage bins, recycling containers and carts, can and bottle crushers; products to facilitate composting, namely, backyard composters, vermicomposters, composting tools and accessories, compostable bags, pet waste disposal systems and accessories, kitchen buckets, how-to books; products for chicken and livestock farming, namely, chicken coops, live chickens, egg handling accessories, how-to books, animal shelters; alternative energy products, namely, wind mills, solar panels and geothermal panels; plants; toys and games, namely, outdoor games, kits and horseshoes; garden furniture and décor, namely, hammocks, dining sets, chairs, outdoor clocks, carpets, artwork, fireplaces, deck tiles, privacy fences and screens; accessories for pest and weed control, namely, insect repellents, pesticides, herbicides and insecticides; outdoor and indoor lighting products, namely, path lights, solar lights, garden lights, security lights; clothing, namely boots and shoes, t-shirts, hats, gloves and mosquito screens.

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

HEARING DATE 2021-07-09

APPEARANCES

Michelle Wassenaar

For the Registered Owner

Serge Anissimoff

For the Requesting Party

AGENTS OF RECORD

Method Law Professional Corporation

For the Registered Owner

Serge Anissimoff

For the Requesting Party