



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 224

Date of Decision: 2021-10-06

IN THE MATTER OF A SECTION 45 PROCEEDING

Barrette Legal Inc.

Requesting Party

and

Grace Foods Limited

Registered Owner

TMA152,875 for GRACE & Design

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. TMA152,875 for the trademark GRACE & Design (the Mark), as shown below:



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

- (1) Canned fruits.
 - (2) Canned sausages.
 - (3) Dried peas, beans, cornmeal and rice.
 - (4) Fruit syrups.
 - (5) Soft drinks.
 - (6) Canned seafood.
 - (7) Canned meat.
 - (8) Tea, spices and sauces.
 - (9) Dried Soups, soup mixes.
 - (10) Carbonated drinks namely mineral and aerated waters.
 - (11) Fruit/vegetable juices namely orange, mango, passion fruit, cherry, coconut, carrot.
 - (12) Condiments namely crushed pepper, marinades.
 - (13) Coconut cream.
 - (14) Coconut milk.
 - (15) Instant oats.
 - (16) Dairy products, namely, condensed milk, edible oils; vegetable/fruit purees, namely, guava.
- (the Goods)

[3] For the reasons that follow, I conclude that the registration ought to be amended to delete “passion fruit” and “cherry” from the goods identified as “Fruit/vegetable juices namely orange, mango, passion fruit, cherry, coconut, carrot” in compliance with the provisions of section 45 of the Act.

THE PROCEEDINGS

[4] At the request of Barrette Legal Inc. (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on June 4, 2020, to Grace Foods Limited, the registered owner of the Mark (the Owner).

[5] The notice required the Owner to show whether the trademark has been 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 June 4, 2017 to June 4, 2020 (the Relevant Period).

[6] The relevant definition of use in the present case is set out in section 4(1) of the Act:

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.

[7] 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].

[8] In response to the Registrar’s notice, the Owner furnished an affidavit of Nimal Amitirigala, sworn on August 25, 2020, to which were attached Exhibits “A” to “H”.

[9] Both the Requesting Party and the Owner submitted written representations. No hearing was held.

THE EVIDENCE

[10] Mr. Amitirigala is the President of Grace Foods Canada Inc. (GFC). He states that GFC and the Owner are both wholly owned subsidiaries of Grace Kennedy & Company Limited domiciled in Jamaica [para 4].

[11] Mr. Amitirigala describes GFC as an importer, producer and wholesale distributor of a wide variety of food products. GFC sells its food products across Canada to food retailers such as Loblaws, Sobeys and Walmart as well as small convenience stores [para 5].

[12] Mr. Amitirigala states that GFC is licensed to use the Mark in Canada by the Owner pursuant to a License Agreement dated December 8, 1986. A copy of the License Agreement is attached as Exhibit B to his affidavit. Pursuant to the License Agreement, GFC has agreed to use

the Mark in accordance with the standards and specifications agree to between it and the Owner. Mr. Amitirigala confirms that the Owner has exercised control over the quality of the goods sold in Canada by the GFC in association with the Mark [paras 6, 7 and 8].

[13] In support, Mr. Amitirigala attaches the following relevant exhibits to his affidavit:

- Exhibit A: a copy of the license agreement between the Owner and GFC.
- Exhibit C: a chart which lists the Owner's products sold in Canada in association with the Mark, the correlation with the registered goods and the references to corresponding invoice numbers [paras 9 and 10].
- Exhibit D: photographs of cans and bottles bearing the Mark for each of the products listed in Exhibit C [para 11].
- Exhibit E: copies of representative invoices showing sales of the products listed in Exhibit C and shown in Exhibit D to retailers in Canada during the Relevant Period [para 13].

[14] Mr. Amitirigala states that total sales of products in Canada in association with the Mark, for the period 2017, 2018 and 2019, were \$146,727,109 [para 14].

ANALYSIS AND REASONS FOR DECISION

[15] Section 50(1) of the Act requires the owner of a trademark to control, either directly or indirectly, the character or quality of the goods or services sold under that trademark.

[16] As stated by the Federal Court, 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].

[17] Given that the evidence of Mr. Amitirigala as to the Owner's control over the character or quality of the products sold in Canada in association with the Mark and the license agreement provided [Exhibit A], I am satisfied that any evidenced use of the Mark in Canada in association with such products enures to the Owner's benefit.

[18] Given the evidence of Mr. Amitirigala that the Mark was used in Canada during the Relevant Period in association with each of the products listed in Exhibit C and shown in Exhibit D with relevant invoices in Exhibit E, I am satisfied that the Owner has demonstrated use of the Mark in Canada in association with these products during the Relevant Period, with the possible exception of two goods challenged by the Requesting Party.

[19] The Requesting Party submits that there is no evidence of use with respect to "carbonated drinks namely mineral and aerated waters" and "fruit/vegetable juices namely ... passion fruit, cherry ..." and that they should be expunged from the registration.

[20] Accordingly, I will confine my analysis to the goods challenged by the Requesting Party.

Carbonated drinks namely mineral and aerated waters

[21] The Requesting Party submits that the image provided by the Owner in Exhibit D in support of "carbonated drinks namely mineral and aerated waters" is labeled MALTA and "apparently relates to malt based beverages and not the applied for goods namely bottled water goods." The Requesting Party submits that the word "malta" is a Spanish word which translates into "malt".

[22] In response, the Owner submits that Mr. Amitirigala identifies the MALTA product as a product which falls in the category of "carbonated drinks, namely mineral and aerated waters". The Owner further submits that there is no basis to doubt the veracity of Mr. Amitirigala's statement and that any doubt with respect to the evidence must be resolved in favour of the Owner.

[23] I agree with the Owner. An affiant'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]. Given the statement by Mr. Amitirigala that

the beverage listed in Exhibit C and shown in Exhibit D falls within the category of “carbonated drinks namely mineral and aerated waters”, I am satisfied that the Owner has established a *prima facie* case of use of the Mark in Canada in association with “carbonated drinks namely mineral and aerated waters” during the Relevant Period.

Fruit/vegetable juices namely passion fruit, cherry

[24] The Requesting Party submits that there is no reference to passion fruit or cherry fruit juices in Exhibit C and there is no photograph for passion fruit or cherry fruit juices in Exhibit D.

[25] In its submissions, the Owner acknowledges that there is no specific evidence filed to establish sales of those specific fruit juices but goes on to submit that the evidence does establish the sale of a wide variety of fruit/vegetable juices, including orange, mango, coconut, and carrot. The Owner argues that the evidence supplies sufficient facts to allow the Registrar to draw the inference that there is also use in association with passion fruit and cherry fruit juices.

[26] I disagree with the Owner. While evidentiary overkill is not required and representative evidence can be furnished in section 45 proceedings [*Saks & Co v Canada (Registrar of Trade Marks)* (1989), 24 CPR (3d) 49 (FCTD)], the Owner must still establish a *prima facie* case of use of the trademark in association with *each* of the goods specified in the registration [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA); see also *Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184]. In other words, the Registrar must be able to “rely on an inference from proven facts rather than on speculation” to satisfy every element required by the Act [*Diamant Elinor* at para 11; see also *Smart & Biggar v Curb*, 2009 FC 47].

[27] In this case, the Owner is asking that I draw an inference that there is use in association with passion fruit and cherry fruit juices because there is use in association with other types of fruit juice. That is not a reasonable inference – it is speculation.

[28] As acknowledged in the Owner’s written submissions, there is no specific evidence filed to establish use of the Mark in association with passion fruit or cherry fruit juices nor is there any clear statement in the affidavit to that effect. There is insufficient evidence to enable me to draw a reasonable inference that there was such use. Accordingly, I am not satisfied that the Owner

has demonstrated use of the Mark in Canada, or special circumstances to excuse non-use of the Mark, during the Relevant Period in association with passion fruit or cherry fruit juices. The registration will be amended accordingly.

DISPOSITION

[29] Pursuant to the authority delegated to me under section 63(3) of the Act, the registration will be amended to delete “passion fruit” and “cherry” from the goods identified as “Fruit/vegetable juices namely orange, mango, passion fruit, cherry, coconut, carrot” in compliance with the provisions of section 45 of the Act.

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

- (1) Canned fruits.
- (2) Canned sausages.
- (3) Dried peas, beans, cornmeal and rice.
- (4) Fruit syrups.
- (5) Soft drinks.
- (6) Canned seafood.
- (7) Canned meat.
- (8) Tea, spices and sauces.
- (9) Dried Soups, soup mixes.
- (10) Carbonated drinks namely mineral and aerated waters.
- (11) Fruit/vegetable juices namely orange, mango, coconut, carrot.
- (12) Condiments namely crushed pepper, marinades.
- (13) Coconut cream.
- (14) Coconut milk.
- (15) Instant oats.
- (16) Dairy products, namely, condensed milk, edible oils; vegetable/fruit purees, namely, guava.

Martin Beliveau
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

CPST Intellectual Property Inc.

For the Registered Owner

Barrette Legal Inc.

For the Requesting Party