

LE REGISTRAIRE DES MARQUES DE COMMERCE THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 246

Date of Decision: 2021-11-09

IN THE MATTER OF A SECTION 45 PROCEEDING

Marie-Noel Beetz Requesting Party

and

Eminence Organic Skincare Inc. Registered Owner

TMA768,339 for ÖKODYNAMIC 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. TMA768,339 for the trademark ÖKODYNAMIC (the Mark).
- [2] The Mark is registered for use in association with the following goods:

Cosmetics and skincare products namely Skin clarifiers, Skin cleansers, Skin cleansing cream, Skin cleansing lotion, Skin conditioners, Skin cream, Skin moisturizer masks, Skin soap, Skin toners, Eye cream, Eye gels, Eye makeup, Eye makeup remover, Face creams, Facial emulsions, Facial makeup, Facial masks, Facial scrubs, Facial peels.

- [3] At the request of Marie-Noel Beetz (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on October 18, 2019, to Eminence Organic Skincare Inc. (the Owner), the registered owner of the Mark.
- [4] The notice required the Owner to show whether the trademark 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 October 18, 2016 to October 18, 2019.
- [5] The relevant definition of use in the present case 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.
- While evidentiary overkill is not required and representative evidence can be furnished in section 45 proceedings, the Owner must still establish a *prima facie* case of use of the Mark in association with each of the registered goods [*John Labatt Ltd. v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. In other words, the Registrar must be able to form an opinion regarding "use" within the meaning of the Act, and must be able to "rely on an inference from proven facts rather than on speculation" to satisfy every element required by the Act [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448; *Diamant Elinor Inc v* 88766 Canada Inc, 2010 FC 1184]. Evidence regarding transfers can be in the form of documentation like invoices and sales reports, but can also be through clear sworn statements regarding volumes of sales, dollar value of sales, or equivalent factual particulars [*John Labatt, supra*; also *Lewis Thomas & Sons Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD); and *1471706 Ontario Inc v Momo Design srl*, 2014 TMOB 79].

- [7] In the absence of use, pursuant to section 45(3) of the Act, a trademark registration is liable to be expunged, unless the absence of use is due to special circumstances.
- [8] In response to the Registrar's notice, the Owner furnished the affidavit of Attila Koronczay, sworn on May 22, 2020.
- [9] Only the Owner filed written representations and no oral hearing was held.

THE EVIDENCE

- [10] In his affidavit, Mr. Koronczay attests that he is the General Manager of the Owner, which manufactures and sells "high quality, organic cosmetics and skin care products in Canada and abroad". He asserts that the Owner has used the Mark in Canada since 2008, including during the relevant period, in association with the registered goods by way of sales to spas, salons, retailers and "authorized partner" beauty professionals.
- [11] Mr. Koronczay attests that "[the Mark] was marked directly on the packaging for cosmetic and skin care products which were sold ... during the Relevant Period."
- [12] Attached as Exhibit D to the affidavit are photographs of nine products which Mr. Koronczay identifies as follows: "an eye cream", "a facial emulsion", "a face cream and facial emulsion", "a facial skin toner", "a skin toner and skin conditioner", "a skin cleansing cream and skin cleansing lotion", "a facial peel and skin clarifier", "a facial mask" and "a skin lotion".
- [13] I note that the trademark depicted on the exhibited product packaging is OKODYNAMIC, absent the umlaut above the letter "O". Mr. Koronczay acknowledges the variation, but asserts that the absence of the umlaut "is clearly a minor, unimportant difference". In any event, Mr. Koronczay states that the Mark was displayed in this manner in association with *all* of the registered goods during the relevant period.
- [14] Exhibit E consists of 23 invoices, that Mr. Koronczay states "are representative invoices for sales of ÖKODYNAMIC Goods made by [the Owner] to customers in Canada during the Relevant Period". I note that the Mark does not appear on the invoices and Mr. Koronczay does not state whether all of the invoiced products displayed the Mark.

- [15] Rather, at paragraph 22 of his affidavit, Mr. Koronczay correlates some of the invoiced products to the nine goods depicted in the Exhibit D photographs, as well as to two other goods that are not depicted: a face cream and a face mask. At paragraph 12 of his affidavit, Mr. Koronczay specifically identifies these products as the "ÖKODYNAMIC Goods" which the Owner sold during the relevant period.
- [16] He attests that, "During the Relevant Period, [the Owner's] sales attributable to the ÖKODYNAMIC Goods in Canada were approximately \$4 million."
- [17] As such, Mr. Koronczay's correlation provides evidence of sales for some of the registered goods, namely: Skin clarifiers, Skin cleansers, Skin cleansing cream, Skin cleansing lotion, Skin conditioners, Skin toners, Eye cream, Face creams, Facial emulsions, Facial masks and Facial peels.
- [18] However, the following registered goods do not appear to be included in his definition of "ÖKODYNAMIC Goods", and are not clearly identified as having been sold in Canada during the relevant period or otherwise: Skin cream, Skin moisturizer masks, Skin soap, Eye gels, Eye makeup, Eye makeup remover, Facial makeup, Facial scrubs.

ANALYSIS

- [19] As a preliminary matter, I note that the evidence shows use of the trademark OKODYNAMIC, being the Mark without the umlaut over the first letter O.
- [20] However, in applying the principles as set out in *Canada (Registrar of Trade Marks)* v *Cie internationale pour l'informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA) and *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA), I consider the omission of the umlaut to be a minor deviation. As such, I am satisfied that any evidenced use of OKODYNAMIC constitutes use of the Mark as registered.
- [21] The larger issue in this case is whether the Owner has shown use of the Mark in association with *each* of the registered goods within the meaning of sections 4 and 45 of the Act. In this respect, as noted above, Mr. Koronczay does not clearly correlate all of the registered goods with the invoiced products.

- [22] Although Mr. Koronczay provides a global figure for sales, he does not provide a breakdown of sales volumes or amounts for any of the specific registered goods. He only correlates 11 of the registered goods with specific invoiced products to demonstrate actual transfers within the meaning of section 4(1) of the Act.
- [23] These 11 registered goods, identified by Mr. Koronczay as the Owner's "ÖKODYNAMIC Goods" are: Skin clarifiers, Skin cleansers, Skin cleansing cream, Skin cleansing lotion, Skin conditioners, Skin toners, Eye cream, Face creams, Facial emulsions, Facial masks and Facial peels.
- [24] As noted above, Mr. Koronczay attests that the photographs in Exhibit D show the Mark displayed on the following nine registered goods: Skin clarifiers, Skin cleansers, Skin cleansing cream, Skin cleansing lotion, Skin conditioners, Skin toners, Eye cream, Face creams, Facial emulsions.
- [25] Additionally, although there were no photographs or other exhibits showing the Mark displayed on "Facial masks" or "Facial peels", I accept Mr. Koronczay's correlation of these two further "ÖKODYNAMIC Goods" to invoiced products.
- [26] In view of the foregoing, I am satisfied that the Owner has shown use of the Mark in association with the following goods within the meaning of sections 4 and 45 of the Act: Cosmetics and skincare products namely Skin clarifiers, Skin cleansers, Skin cleansing cream, Skin cleansing lotion, Skin conditioners, Skin toners, Eye cream, Face creams, Facial emulsions, Facial masks and Facial peels.
- [27] With respect to the remaining eight registered goods, in its written representations, the Owner asserts that, "...Section 45 Proceedings are not an appropriate venue to determine complex factual issues. As a result, Courts tend to resolve complex factual issues in favour of the Registered Owner, for instance, by leaving general categories of goods as originally registered where use has been shown for an item which falls within that general class."

- [28] In this respect, the Owner quotes *Saks & Co. v. Canada* (*Registrar of Trade Marks*) (1989), 24 CPR (3d) 49 (FCTD) at para 48, "...there is no requirement, in order to main registration, when faced with an application under s.44 [now s.45], that either direct evidence or documentary proof be furnished regarding every item in each category."
- [29] However, the Owner itself notes that *Saks* addressed a challenge to a registration which included 28 categories of goods. In this case, the Owner acknowledges that it need address only one category of goods, stating that "...the Koronczay Affidavit shows use of [the Mark] during the Relevant Period in association with numerous "Cosmetic and skincare products", the general class of goods contained in the Registration."
- [30] In any event, the Owner submits that it "...produced extensive evidence showing use of the Trademark in Canada in association with the Registered Goods during the Relevant Period, including...adducing copies of representative invoices for the sale of the Registered Goods made by [the Owner] in association with the ÖKODYNAMIC trademark in Canada during the Relevant Period."
- [31] As noted above, although Mr. Koronczay appears to assert use of the Mark with respect to all of the registered goods, he does not clearly provide evidence of transfers of each. Rather, he appears to limit the scope of the Owner's products actually sold in Canada during the relevant period to the "ÖKODYNAMIC Goods", being the nine products depicted in Exhibit D, along with "a face cream" and "a face mask".
- [32] While Mr. Koronczay indicates that further products also displayed the Mark, he does not clearly specify those further products. If the Owner had in fact sold all of the registered goods in Canada in association with the Mark, it is not clear why Mr. Koronczay would only correlate some of the registered goods with the invoiced products.
- [33] For example, although I am able to identify some of these uncorrelated goods on the invoices (such as "cucumber eye gel" on Invoice 19-01-0293 with "Eye gels"), nothing on the invoices indicates that such products were branded with the Mark or otherwise associated with

the Mark. Indeed, Mr. Koronczay's specific correlations would suggest that not all of the invoiced products displayed the Mark as depicted in the Exhibit D photographs. If all the invoiced products were "ÖKODYNAMIC Goods", it is not clear why Mr. Koronczay would not simply state such.

- [34] As described above, Mr. Koronczay identifies eleven "ÖKODYNAMIC Goods" and states that the Owner sold the "ÖKODYNAMIC Goods" under the Mark in Canada during the relevant period. Mr. Koronczay's affidavit addressed use of the Mark only in association with those eleven registered goods.
- [35] Given that the Owner was able to submit clear evidence including acceptable representative evidence for a majority of the registered goods, it is unclear why similarly clear clear statements and representative evidence were not provided with respect to the remaining goods.
- [36] In view of the foregoing, the Owner has not provided *prima facie* evidence of use of the Mark in association with such remaining goods. Accordingly, I am not satisfied that the Owner has demonstrated use of the Mark in association with such remaining goods within the meaning of sections 4 and 45 of the Act. Furthermore, the Owner has furnished no evidence of special circumstances excusing non-use of the Mark. The registration will be amended accordingly.
- [37] The registration will be amended accordingly.

DISPOSITION

[38] 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 following goods:

Skin cream, Skin moisturizer masks, Skin soap, Eye gels, Eye makeup, Eye makeup remover, Facial makeup, Facial scrubs

[39] The amended statement of goods shall now read:

Cosmetics and skincare products namely Skin clarifiers, Skin cleansers, Skin cleansing cream, Skin cleansing lotion, Skin conditioners, Skin toners, Eye cream, Face creams, Facial emulsions, Facial masks, Facial peels.

Tracey Mosley
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

AGENTS OF RECORD

Clark Wilson LLP For the Registered Owner

Sandrine Pernod-Boulanger For the Requesting Party