



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 284

Date of Decision: 2021-12-15

IN THE MATTER OF A SECTION 45 PROCEEDING

Kirby Eades Gale Baker

Requesting Party

and

Endress+Hauser Group Services AG

Registered Owner

TMA870,568 for HEARTBEAT

Registration

TECHNOLOGY

INTRODUCTION

[1] This is a decision involving a summary expungement proceeding with respect to registration No. TMA870,568 for the trademark HEARTBEAT TECHNOLOGY (the Mark).

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

Apparatus and instruments for measuring, controlling and regulating the flow rate of fluids, gases or vapours, namely flowmeters for measuring the massflow rate of fluids or gases or vapours and controllers for controlling the massflow rate of fluids or gases or vapours.

[3] For the reasons that follow, I conclude that the registration ought to be amended to delete the goods “controllers for controlling the massflow rate of fluids or gases or vapours”.

THE PROCEEDING

[4] On November 7, 2018, at the request of Kirby Eades Gale Baker (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 Mestra AG (Mestra), the registered owner of the subject registration at the time. 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 the Mark 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 between November 7, 2015 and November 7, 2018.

[5] The relevant definition of “use” in the present case is 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.

[6] I note that, during the relevant period, the registration was assigned from the original owner, namely Endress+Hauser Flowtec AG (Flowtec), to Mestra. This assignment occurred on December 13, 2017 and was recorded by the Registrar on January 18, 2018. After the relevant period, the registration was subsequently assigned to its current owner, namely Endress+Hauser Group Services AG.

[7] In response to the Registrar’s notice, the registered owner submitted the affidavit of John Yates, sworn on March 22, 2019.

[8] Both parties submitted written representations. Only the registered owner was represented at an oral hearing.

THE EVIDENCE

[9] In his affidavit, Mr. Yates states that he is the Marketing Manager of Endress+Hauser Canada Ltd. (Endress+Hauser Canada), which he sometimes refers to as “his company”, and has held this position since 2011. Mr. Yates explains that Endress+Hauser Canada is a member of the Endress+Hauser Group (The Group), a group of related companies specializing in the fields of process and laboratory automation. The Group is comprised of numerous member companies, including Flowtec, Mestra, and Endress+Hauser Services AG (E+H Services).

[10] At the time of Mr. Yates’ affidavit, Mestra was the owner of the subject registration. Mr. Yates attests that Mestra licensed and authorized E+H Services to control the character and the quality of the products manufactured and sold by other members of The Group. In particular, Mr. Yates states that “the members of the Group are required to manufacture, package, and advertise goods under Mestra’s trademarks strictly in accordance with specifications and standards supplied to them by E+H Services”.

[11] Mr. Yates states that Flowtec designs, manufactures, and sells “Apparatus and instruments for measuring, controlling and regulating the flow rate of fluids, gases or vapours, namely flowmeters for measuring the massflow rate of fluids or gases or vapours” (the HEARTBEAT TECHNOLOGY Goods). He also states that, in Canada, Flowtec sells its goods through his company, Endress+Hauser Canada.

[12] According to Mr. Yates, his company promotes and sells the HEARTBEAT TECHNOLOGY Goods through two main channels. The first is a “traditional sales process”, whereby members of his company’s sales team speak directly to customers to promote and sell Flowtec’s product offerings. The second channel is an e-commerce platform located on his company’s website.

[13] Mr. Yates attests that, through his company, Flowtec has continuously sold the HEARTBEAT TECHNOLOGY Goods in Canada in association with the Mark, including during the relevant period. In particular, he states that his company sold over 1,400 flowmeters during the relevant period in Canada, representing total sales of “well over \$10 Million”; he also provides yearly breakdowns of such sales. I note here that the issue of whether the goods sold in association with the Mark in fact correlate to the registered goods will be addressed further below.

[14] In support of his affidavit, Mr. Yates provides the following relevant exhibits:

- Documents which Mr. Yates describes as “brochures, technical information sheets, and other promotional material” (Exhibit A) which he states are representative of those “available to be distributed by [Endress+Hauser Canada’s] sales team to customers and prospective customers in Canada during the relevant period”. I note that these materials describe various types of flowmeters. They also present optional add-on packages for such flowmeters, including a package named “Heartbeat Verification + Monitoring” which features technology referred to as “Heartbeat Technology” and “Heartbeat Technology™”.
- Price quotes (Exhibit B) and invoices (Exhibit D) for “HEARTBEAT TECHNOLOGY Goods (among other goods) which [Endress+Hauser Canada] issued to Canadian customers during the relevant period”, as well as delivery notes (Exhibit E) for those products. Mr. Yates states that these materials relate to the sale and delivery of HEARTBEAT TECHNOLOGY Goods through the traditional sales process. I note that the quotes and invoices pertain to flowmeters which include the optional “Heartbeat Verification + Monitoring” package. The quotes and invoices are issued to customers located in Canada and are dated within the relevant period. The Mark is not displayed on these documents.
- Printouts from the website *www.ca.endress.com* (Exhibit F) which Mr. Yates describes as “promoting and offering the HEARTBEAT TECHNOLOGY Goods for

sale” and confirms that the printouts are representative of how the website appeared during the relevant period. I note that the Mark is displayed on these materials, including on one webpage titled “Heartbeat Technology™ – Reliable and flexible proof testing”.

- Screenshots from the website *www.ca.endress.com* (Exhibit G) which Mr. Yates describes as “chronicling a customer’s digital journey to select, configure, and purchase the HEARTBEAT TECHNOLOGY Goods” on the website. Mr. Yates explains that it is during this configuration process that “customers can add the HEARTBEAT TECHNOLOGY functionality to the flowmeter”. He also confirms that these are representative of how the website appeared during the relevant period. I note that the first screenshot presents a *Proline Promass F 300 Coriolis flowmeter* and describes the features of this product. A description for this product mentions that “Heartbeat Technology ensures compliance and process safety at all times”. The same webpage displays an “Add to Cart” icon. A subsequent screenshot shows optional add-ons, including a “Heartbeat Verification + Monitoring” package.
- Invoices (Exhibit I) for “HEARTBEAT TECHNOLOGY Goods (among other goods) which [Endress+Hauser Canada] issued to Canadian customers during the relevant period” as well as delivery notes (Exhibit J) for those products. Mr. Yates states that these materials relate to the sale and delivery of HEARTBEAT TECHNOLOGY Goods through Endress+Hauser Canada’s e-commerce platform. As was the case with the Exhibit D invoices, I note that the Exhibit I invoices pertain to flowmeters which include the optional “Heartbeat Verification + Monitoring” package. They are issued to customers located in Canada and are dated within the relevant period. The Mark is not displayed on these invoices.
- A user manual titled “Special Documentation” for a *Proline Promag 400 HART Heartbeat Verification + Monitoring Package* (Exhibit K) and excerpts from a user manual titled “Operating Instructions” for a *Proline Promag W 400 HART*

Electromagnetic flowmeter (Exhibit L) which Mr. Yates states are representative of those which were shipped to customers in Canada with the HEARTBEAT TECHNOLOGY Goods during the relevant period. I note that the Mark is displayed throughout these manuals, including on an “Attestation” page immediately following the table of contents in Exhibit K, which certifies that the *Proline Promag 400 with Heartbeat Technology™* product complies with certain test specifications.

ANALYSIS

[15] The owner submits that it has satisfied its burden of establishing use of the Mark in association with the HEARTBEAT TECHNOLOGY Goods and, as a result, requests that the registration be maintained in association with at least “flowmeters for measuring the massflow rate of fluids or gases or vapours”, if not in its entirety.

[16] On this point, I note that the owner conceded at the hearing that the evidence provided only pertains to flowmeters. Accordingly, I am not satisfied that the owner has demonstrated use of the Mark in association with “controllers for controlling the massflow rate of fluids or gases or vapours” within the meaning of sections 4 and 45 of the Act. As there is no evidence before me of special circumstances excusing non-use of the Mark, those goods will be deleted from the registration.

[17] As for the remaining registered goods, the core arguments of the Requesting Party are as follows:

- (i) the products in evidence were sold by an entity other than the registered owner Mestra, and there is no “salient and clear evidence” that use of the Mark accrued to the benefit of Mestra;
- (ii) there is no probative evidence that the products sold were branded with the Mark and/or that customers were “aware of the use of [the Mark] as a trademark” prior to purchasing the flowmeters; and

- (iii) in the alternative, even if the Mark was used, such use was not in association with the goods covered by the registration.

Use enures to the benefit of Mestra

[18] The evidence before me is that, during the relevant period, the owner of the subject registration was first Flowtec and then, starting on December 17, 2017, Mestra. As for evidence of transfers, Mr. Yates attests that the exhibited invoices were issued by Endress+Hauser Canada. In this regard, he explains that Endress+Hauser Canada is a “sales center for the Canadian market” which sold HEARTBEAT TECHNOLOGY Goods manufactured by Flowtec.

[19] Given that the exhibited invoices are dated in 2018, when Mestra was the owner, I will address the question of whether evidenced use of the Mark during this time by Endress+Hauser Canada would accrue to the benefit of Mestra.

[20] The Requesting Party submits that “a bare assertion of the control requirements under Section 50 of *Trademarks Act* being met” is insufficient to satisfy the requirements of the Act and that a trademark owner must “put into evidence facts or documents describing how the control... is exercised”. This is incorrect. The Federal Court set out three main methods by which a trademark owner can demonstrate the requisite control pursuant to section 50(1) of the Act, and the first method is simply to provide a clear sworn statement attesting to the fact that it exerts the requisite control [*Empresa Cubana Del Tobacco Trading v Shapiro Cohen*, 2011 FC 102 at para 84].

[21] In this case, Mr. Yates states that the character and quality of products manufactured and sold by members of The Group, such as Flowtec and Endress+Hauser Canada, were controlled by E+H Services, and that E+H Services was licensed to do so by Mestra, the owner of the Mark. He also specifically states that, when manufacturing, packaging and advertising goods in association with Mestra’s trademarks, members of The Group were required to do so “strictly in accordance with specifications and standards supplied to them by E+H Services”. In other words, Mestra exerted indirect control through its licensee, E+H Services.

[22] In view of Mr. Yates' clear statements, I am satisfied that Mestra exerted the requisite control over the quality and character of the goods sold by Endress+Hauser Canada, and I therefore accept that any evidenced use of the Mark enures to Mestra's benefit pursuant to section 50 of the Act.

Requisite notice of association was given

[23] With respect to the notice of association, the owner has provided invoices for sales made through the traditional sales process as well as through the e-commerce platform on the Endress+Hauser Canada website. These invoices evidence sales during the relevant period to customers in Canada through both channels of trade. However, as conceded by the owner, the Mark is not displayed on those invoices, nor is it displayed on the HEARTBEAT TECHNOLOGY Goods or their packaging. That being said, the owner submits that – through both channels of trade – the required notice of association is nonetheless given “throughout the purchasing journey”, from the initial contact with customers (either in person or through the website) to the shipment of the goods.

[24] It is well established that the requisite notice of association can be established when customers place orders by way of a catalog or brochure that displays the trademark in close proximity with those goods, and that notice of association continues when the goods are delivered. Similarly, where a customer can order goods from a website which displays a trademark, there can be use of that trademark in association with the goods [see *Fraser Milner Casgrain LLP v LG Electronics Inc*, 2014 TMOB 232 at paras 21-22].

[25] It has also been held that display of a trademark on printed materials that accompany goods at the time of transfer may also 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].

[26] In the present case, the Mark, sometimes followed by the trademark symbol “TM”, is displayed:

- on brochures and promotional materials (Exhibit A),
- on the Endress+Hauser Canada website and, in particular, one webpage titled “Heartbeat Technology™ – Reliable and flexible proof testing” (Exhibit F) and another webpage offering a flowmeter for sale and briefly describing the optional “Heartbeat Technology” add-on for that flowmeter (Exhibit G), and
- on user manuals shipped to customers along with the HEARTBEAT TECHNOLOGY Goods (Exhibits K and L).

[27] I note that the evidence is not clear as to whether the exhibited brochures and promotional materials were actually distributed to customers, as Mr. Yates merely states that these are representative of those “available to be distributed”. Nevertheless, having regard to the significant sales figures and the invoices for actual sales through the traditional sales process, it is reasonable to infer that such materials were in fact distributed to some extent in the course of promoting the HEARTBEAT TECHNOLOGY Goods.

[28] In any event, I am satisfied that the requisite notice of association between the Mark and the HEARTBEAT TECHNOLOGY Goods was given – at a minimum – to customers placing orders through the e-commerce platform, because the Mark was displayed on the website where HEARTBEAT TECHNOLOGY Goods were purchased, as well as on user manuals which Mr. Yates attests were shipped along with all HEARTBEAT TECHNOLOGY Goods.

Use in association with registered goods

[29] As noted above, the Requesting Party submits that if any use of the Mark is shown, such use was not in association with the registered goods. In particular, the Requesting Party submits that “[t]he goods covered by the HEARTBEAT TECHNOLOGY registration are not in the nature of a test method or a software application, but rather are described as ‘flowmeters for measuring the massflow rate of fluids or gases or vapours and controllers for controlling the massflow rate of fluids or gases or vapours’”.

[30] Although the Requesting Party appears to have inadvertently truncated its written submissions on this point, in my view they can be fairly understood as follows: the HEARTBEAT TECHNOLOGY Goods in evidence relate to a “test method or a software application” which is integrated to flowmeters, rather than to any of the registered goods.

[31] For its part, the owner contends that the use of the Mark in association with the “Heartbeat Technology” feature – when such a feature forms part of, or is incorporated into flowmeters – is use of the trademark in association with the entire system (*i.e.* flowmeters). In support of its contention, the owner relies on *Thomas Adams & Assoc v Visx Inc* (2001), 13 CPR (4th) 380 (TMOB).

[32] In *Thomas Adams*, the trademark “VISIONKEY” was registered in association with an “ophthomological surgical system, namely, a laser, optical path elements, control computer, patient data card reader (all sold as a unit)”. The evidence showed that the owner was advertising and offering for sale such a system in association with the trademark VISIONKEY. The Registrar concluded that use of the trademark on cards containing software and patient data, which were not listed in the statement of goods, constituted use of the trademark with the entire system because the cards were “clearly an integral part of the system” as the system could not be operated without those cards.

[33] In the present case, the Mark is associated with the “Heartbeat Verification + Monitoring” package. Although that package is optional, it is fully incorporated to the flowmeters and has no “life” of its own. Indeed, the HEARTBEAT TECHNOLOGY feature’s purpose is to monitor flowmeter performance and it therefore can only function as part of such flowmeters.

[34] Having regard to the above, I accept that the person to whom the property is transferred would associate the Mark not only with the optional package, but also to flowmeters that include this package [for a similar conclusion, see *Maax Corp v Vanico-Maronyx Inc*, 2006 CanLII 80517 (TMOB)]. I am therefore satisfied that the demonstrated use of the Mark meets the

requirements of sections 4(1) and 45 of the Act in association with “flowmeters for measuring the massflow rate of fluids or gases or vapours”.

DISPOSITION

[35] 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 “and controllers for controlling the massflow rate of fluids or gases or vapours”.

[36] The statement of goods will now read as follows:

Apparatus and instruments for measuring, controlling and regulating the flow rate of fluids, gases or vapours, namely flowmeters for measuring the massflow rate of fluids or gases or vapours.

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: December 2, 2021

APPEARANCES

Jamie-Lynn Kraft

For the Registered Owner

No one appearing

For the Requesting Party

AGENTS OF RECORD

Smart & Biggar LLP

For the Registered Owner

Kirby Eades Gale Baker

For the Requesting Party