



LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2021 TMOB 295

Date of Decision: 2021-12-31

IN THE MATTER OF A SECTION 45 PROCEEDING

Osler, Hoskin & Harcourt, LLP

Requesting Party

and

Oakley, Inc.

Registered Owner

TMA446,883 for EYESHADES

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. TMA446,883 for the trademark EYESHADES (the Mark).

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

THE PROCEEDINGS

[3] At the request of Osler, Hoskin & Harcourt LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on July 24, 2018 to Oakley, Inc. (the Owner), the registered owner of the Mark.

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

(1) Sunglasses and accessories for sunglasses, namely replacement lenses, earstems, nose pieces and foam strips.

(2) Sunglasses and their parts and accessories, namely replacement lenses, and earstems; cases specially adapted for sunglasses and their parts and accessories.

[5] The notice required the Owner to show whether the trademark was used in Canada, in association with each of the registered goods, 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 July 24, 2015 to July 24, 2018.

[6] 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.

[7] It is well established that bare statements that a trademark is in use are not sufficient to demonstrate use in the context of section 45 proceedings [*Plough (Canada) Ltd v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. Although the threshold for establishing use in these proceedings is low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)], and evidentiary overkill is not required [*Union Electric Supply Co Ltd v Canada* (Registrar of Trade Marks) (1982), 63 CPR (2d) 56 (FCTD)], sufficient facts must still be provided to permit the Registrar to arrive at a conclusion of use of the trademark 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) (*John Labatt*)].

[8] In the absence of use, pursuant to section 45(3) of the Act, a trademark is liable to be expunged, unless the absence of use is due to special circumstances that excuse the absence of use.

[9] In response to the Registrar's notice, the Owner furnished the affidavit of Jessica Freiheit, sworn on February 22, 2019.

[10] Both parties submitted written representations and were represented at a hearing.

THE EVIDENCE

[11] Ms. Freiheit is a paralegal at Brandstock Legal GmbH (Brandstock) since June 2014. Brandstock offers a wide range of services related to the management of third party intellectual assets. Since 2017, Brandstock manages the global intellectual property portfolio of Luxottica Group S.p.A. (Luxottica) and its related businesses, including the Owner's portfolio of registered Canadian trademarks. Moreover, in July 2017, Luxottica executed a General Power of Attorney appointing and authorizing Brandstock to act on its behalf with respect to any trademarks at a worldwide level. Ms. Freiheit states that she has access to or can obtain information from the business records of Luxottica and that the affidavit is based on her "personal knowledge or derived from these Business Records".

[12] Ms. Freiheit states that during the relevant period, the Owner's goods were sold through authorized retailers and third party sites, as well as directly to consumers online. Ms. Freiheit does not disclose the total revenues or sales due to confidentiality, but she asserts that "significant sales of Goods [...] occurred in Canada during the Relevant Period and in the normal course of trade".

[13] In support, the following relevant exhibits are attached to Ms. Freiheit's affidavit:

- Exhibit 3 is a "representative page showing EYESHADES sunglasses for sale on Oakley's Canadian website". Ms. Freiheit confirms that this printout is representative of how the sunglasses appeared during the relevant period.
- Exhibit 4 is a "representative page from Amazon's Canadian website showing EYESHADES sunglasses for sale in Canada by Oakley".
- Exhibit 5 consists of "representative images of EYESHADES sunglasses and their accessories (i.e. cases) and the packaging of these Goods". Ms. Freiheit states that the

Mark appearing on the packages is consistent with how the Mark was presented on packages during the relevant period and that a package was always provided to Canadian customers when purchasing registered goods.

ANALYSIS AND REASONS FOR DECISION

[14] The Requesting Party raises two main issues: (i) the affidavit is not evidence furnished by the Owner and, moreover, consists of hearsay, and (ii) there is no evidence of even a single sale of the registered goods in Canada during the relevant period.

Admissibility of the Affidavit

[15] The Requesting Party submits that the affidavit constitutes inadmissible hearsay evidence, as Ms. Freiheit is not employed by the Owner, is not a distributor or a retailer of the registered goods and, other than being engaged to manage the Owner's trademark portfolio, has no direct knowledge of the Owner's business or the facts relating to the use of the Mark in Canada, and that, moreover, Ms. Freiheit is not in a position to confirm the accuracy of the exhibits. The Requesting Party also adds that the Owner furnished no reasons as to why a person having direct knowledge regarding the Owner's activities and use of the Mark was unable to provide the evidence. The Requesting Party therefore submits that the affidavit should not be admitted as evidence. In response, the Owner submits that there is no requirement in section 45 proceedings that an affidavit must come from the Owner directly, that the Requesting Party is taking an overly technical approach, and that Ms. Freiheit's affidavit is based on her personal knowledge and her access to the Owner's business records.

[16] Affidavits filed as evidence in section 45 proceedings must be provided by the trademark owner, but need not be subscribed by one of their employees [*Registrar of Trade Marks v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA)]. Therefore, I agree with the Owner that it may provide Ms. Freiheit's affidavit as its evidence.

[17] However, I agree with the Requesting Party that Ms. Freiheit's affidavit constitutes hearsay and that the Owner failed to demonstrate the necessity and reliability of it. If Ms. Freiheit had access to the Owner's business records, she was not personally involved in the

Owner's day-to-day activities, but rather responsible for the management of the Owner's global intellectual property portfolio, including the Mark. Moreover, these business records do not appear to have been kept in the ordinary course of her own business, but rather the Owner's business. As raised by the Requesting Party, the Owner furnished no reasons as to why its evidence had to be introduced through a paralegal at Brandstock, or why a person having direct knowledge regarding the Owner's activities and use of the Mark was unable to provide the evidence in question. In the circumstances, the Owner has not established the necessity of submitting its evidence by way of an affidavit from Ms. Freiheit or the reliability of the evidence furnished.

[18] That being said, in a section 45 proceeding, given its the summary nature, "concerns with respect to the hearsay nature of evidence can go to weight, rather than admissibility" [*Eva Gabor International Ltd v 1459243 Ontario Inc*, 2011 FC 18 at para 18]. Therefore, any concerns about the reliability of Ms. Freiheit's affidavit will be assessed in terms of weight rather than admissibility.

Evidence of transfer of the registered goods in Canada

[19] Although invoices are not mandatory in order to satisfactorily reply to a section 45 notice [*Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD)], some evidence of transfer in the normal course of trade in Canada is necessary [*John Labatt*]. Such evidence can be in the form of documentation like invoices or sales reports, but can also be through clear sworn statements regarding volumes of sales, dollar value of sales, or equivalent factual particulars [see, for example, *1471706 Ontario Inc v Momo Design srl*, 2014 TMOB 79].

[20] In the present case, Ms. Freiheit asserts that "significant sales of Goods" occurred in Canada during the relevant period. As stated above, Ms. Freiheit is responsible for managing the Owner's trademark portfolio, and in my opinion, she would not, on this basis alone, appear to be in a position to have knowledge of and confirm the reliability of the Owner's business records regarding sales or to assess the significance of sales of registered goods during the relevant period in Canada. In any event, she does not provide any factual particulars regarding the volume or value of sales and under the circumstances her statement amounts to a bare assertion of use

rather than facts showing use. Therefore, I give little weight to her assertion and find it to be insufficient to demonstrate transfer of any of the registered goods in the normal course of trade.

[21] Moreover, Ms. Freiheit states that the Mark appears on the packaging of each of the goods sent to Canadians and that the Exhibit 5 images represent the way the Mark appeared during the relevant period on such packaging. As mentioned above, I am unable to find that Ms. Freiheit could attest to such facts considering she is not involved in the Owner's day-to-day activities in this respect.

[22] In view of the foregoing, I am not satisfied that the Owner has demonstrated use of the Mark in association with the registered goods within the meaning of sections 4 and 45 of the Act.

DISPOSITION

[23] 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.

Ann-Laure Brouillette
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE September 16, 2021

APPEARANCES

Kevin Sartorio	For the Registered Owner
Donna White	For the Requesting Party

AGENTS OF RECORD

Gowling WLP (Canada) LLP	For the Registered Owner
Osler, Hoskin & Harcourt LLP	For the Requesting Party