



**LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS**

Citation: 2022 TMOB 098

Date of Decision: 2022-05-16

IN THE MATTER OF A SECTION 45 PROCEEDING

Gowling WLG (Canada) LLP

Requesting Party

and

Videovisions International (HSC) Inc.

Registered Owner

TMA404,746 for WHOL-HEALTH

Registration

[1] At the request of Gowling WLG (Canada) LLP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on August 22, 2019, to Videovisions International (HSC) Inc., sometimes doing business as Whol-Health (the Owner), the registered owner of registration No. TMA404,746 for the trademark WHOL-HEALTH (the Mark).

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

Goods: Health products, namely vitamin containers.

Services: Operation of a wholesale and retail outlets specializing in health products.

[3] The notice required the Owner to show whether the Mark was used in Canada in association with the goods and services 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 August 22, 2016 to August 22, 2019.

[4] 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.

4(2) A trademark is deemed to be used in association with services if it is used or displayed in the performance or advertising of those services.

[5] In the absence of use, pursuant to section 45(3) of the Act, the registration is liable to be expunged, unless the absence of use is due to special circumstances.

[6] In response to the Registrar's notice, the Owner furnished the affidavit of Harold Cross, the President of the Owner, sworn on November 12, 2019 in Mississauga, Ontario (the Cross Affidavit).

[7] Both parties submitted written representations and attended an oral hearing.

[8] I note that, as part of its written representations, the Owner submitted a second affidavit, which included a mix of explanations and additional evidence in response to the Requesting Party's written representations. The Requesting Party objected to any new evidence provided in this manner. As confirmed and explained to the parties at the hearing, the second affidavit was not made of record as evidence in this proceeding. In this respect, I note that there is no provision for the filing of reply evidence in a section 45 proceeding. In any event, the second affidavit would not have impacted the disposition had it been considered as evidence in this proceeding.

THE OWNER'S EVIDENCE OF RECORD

[9] I note that the Cross Affidavit is written in the second person plural and contains references to the Owner and another entity, Hedonics Catalogue (Hedonics). The relationship between them will be discussed in the analysis below. I also note that much of the Cross Affidavit references a previous section 45 proceeding regarding the subject registration, initiated

in 2002. A decision in that proceeding was issued in 2005 [*Sterling & Affiliates v Videovisions International (HSC) Inc*, 2005 CarswellNat 1253 (TMOB)], where the registration was amended to its current statement of goods and services. While the Cross Affidavit questions and invites a reconsideration of that decision, as noted at the hearing, the present proceeding is only concerned with the statement of goods and services as currently set out in the registration.

[10] With respect to the registered goods, Mr. Cross states:

Currently, WHol-Health® branded products such as Pill Pouches ... are available wholesale through WHol-Health® and retail through Hedonics with some at other retail stores as well. These have been continually featured and sold internationally as well as across Canada at wholesale and retail through printed Hedonics® Catalogues, retail stores and both the Hedonics website and the WHol-Health® website for over 25 years and were also listed across Canada through Amazon.ca in 2015. [page 12]

[11] With respect to the registered services, he states:

Our wholesale and retail efforts continue as evidenced through our online efforts for many years now at www.Hedonics.com, and www.WHol-Health.com websites. [page 20]

[12] In the body of his affidavit, Mr. Cross includes:

- Photographs of packages and labels of several products bearing the Mark. With respect to the registered goods “vitamin containers”, Mr. Cross identifies one of the photographs as “Pill Pouches & retail packaging”. That packaging indicates that it contains a 400-pouch supply, and displays the Mark [page 14];
- Printouts that Mr. Cross identifies as “Web feature listings” from the websites www.hedonics.com and www.whol-health.com, showing several products with descriptions and prices [pages 17 to 19]. I note that one of the images on page 19 shows two small bags filled with pills, identified as “WHol-Health® Pill Pouches”. The description below the image is consistent with that of the aforementioned pill pouch packaging shown on page 14 of the affidavit. For example, both descriptions indicate that “one pack contains a 400 pouch supply”. I also note that “WHol-Health.com”, which I consider to be a minor deviation from the Mark, is displayed in the body of some of the “Web feature listings” printouts [pages 18 and 19]. The Mark is also prominently displayed in the descriptions or below photographs of three products, including the aforementioned pill pouches [pages 17 to 19];
- Two invoices issued by the Owner for Whol-Health shower filters, dated during the relevant period and billed to addresses in Canada [pages 20 to 21];

- Six invoices issued by Hedonics, dated during the relevant period and billed to addresses in Canada [pages 24 to 25]. I note that three of the invoices are for “Whol-Health Pill Pouches – 400 pack” of various quantities, priced at \$24.99 per unit; and
- Printout of an email from June 2017 sent by Amazon to Mr. Cross at *Amaz1@Hedonics.com*, showing the following subject: “Amazon.ca has shipped the item you sold”. I note that Mr. Cross’ name appears at the top of the email printout.

ANALYSIS

[13] As a preliminary issue, the Requesting Party submits that the Cross Affidavit “does not comply with the formal requirements” of the *Canada Evidence Act* [Owner’s written representations at paras 11, 27 to 29]. In particular, it submits that the photographs, printouts and invoices reproduced in the body of the affidavit are neither attached as exhibits nor signed by a commissioner.

[14] However, on the first page of the Cross Affidavit, above the jurat, reference is made to the “30 following pages” on which those photographs, printouts and invoices appear. I also note that Mr. Cross references them within the body of his affidavit. In any event, the Commissioner’s seal is visible – albeit faintly – on each of the affidavit’s 30 pages. Therefore, in my view, the fact that the images are not attached as exhibits to the affidavit is, at worst, a mere technicality. In this respect, it is well established that technical deficiencies should not be a bar to a successful response to a section 45 notice [*Baume & Mercier SA v Brown* (1985), 4 CPR (3d) 96 (FCTD)] and that the “technical requirements” of section 45 should not become “a trap for the unwary”. [*George Weston Ltd v Sterling & Affiliates* (1984), 3 CPR (3d) 527 (FCTD)]. Applying those principles to this case, I accept that the photographs, printouts, and invoices are admissible.

Relationship between the Owner and Hedonics

[15] The Requesting Party submits that the Cross Affidavit does not establish what relationship exists between the Owner and Hedonics – particularly, whether Hedonics is a licensee of the Owner – such that any use of the Mark by Hedonics cannot accrue to the Owner.

[16] However, I note that Mr. Cross states that the Owner is the importer of the goods [Cross Affidavit at page 3] and that the Owner’s goods were available retail through Hedonics [page

12]. It is well established that statements in an affidavit 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]. Furthermore, the concept of the “normal course of trade” recognizes a continuity of actions that commence with the trademark owner through intervening transactions by distributors and/or retailers to the ultimate consumer [*Manhattan Industries Inc v Princeton Manufacturing Ltd* (1971), 4 CPR (2d) 6 (FCTD)].

[17] Given Mr. Cross’ statements, and considering the evidence as a whole, I accept that the evidenced sales by Hedonics were within the normal course of trade of the Owner. While Mr. Cross could have been more explicit regarding the companies’ relationship, the Cross Affidavit refers to both companies’ wholesale and retail activities over the years, using the second person plural when referring to them. I also note that the Owner’s address shown in the invoices is the same as Hedonics’ address, and that the aforementioned Amazon email sent to Hedonics indicates that it was directly received by Mr. Cross.

[18] Considering the evidence as a whole, I am satisfied that any demonstrated use of the Mark by Hedonics accrues to the Owner’s benefit.

Use in association with the registered goods

[19] With respect to the registered goods, “Health products, namely vitamin containers”, the Requesting Party submits that the Cross Affidavit is unreliable and that there is no correlation between any invoices and the photograph of the pill pouch packaging shown in the evidence.

[20] However, again, evidence in a section 45 proceeding must be considered as a whole and focusing on individual pieces of evidence in isolation is not the proper approach [see *Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB); and *Fraser Milner Casgrain LLP v Canadian Distribution Channel Inc* (2009), 78 CPR (4th) 278 (TMOB)]. Furthermore, reasonable inferences can be made from the evidence provided [see *Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64]. In this respect, the evidence must simply supply facts from which a conclusion of use may follow as a logical inference [*Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184].

[21] In this case, Mr. Cross does not expressly state that the pill pouch packaging shown at page 14 of his affidavit is representative of the pill pouches advertised on the websites and sold during the relevant period. However, as noted above, the packaging shown in the photograph is consistent with the description of the pill pouch product shown on the websites [page 19]. Furthermore, the said description is consistent with the product description on the Hedonics' invoices [pages 24 and 25]. Given that Mr. Cross' statements of use are consistent with the supporting evidence, I accept that the evidenced photograph of the pill pouch packaging bearing the Mark is representative of the way the Mark was displayed on the packages of pill pouches sold by Hedonics in Canada during the relevant period.

[22] In view of the foregoing, I am satisfied that the Owner has demonstrated use of the Mark in association with the registered goods, "Health products, namely vitamin containers", within the meaning of sections 4(1) and 45 of the Act.

Use in association with the registered services

[23] With respect to the registered services, "Operation of a wholesale and retail outlets specializing in health products", the Requesting Party argues that the Owner is not operating "outlets". In particular, it submits that there is no evidence of wholesale or retail sales through *www.Whol-Health.com*, and that the Mark is not displayed in a way that consumers would associate it with the registered services. Furthermore, the Requesting Party submits that the Owner failed to provide evidence of a sufficient degree of interactivity with consumers as required in cases such as this, where retail store services are performed without "brick-and-mortar" locations. In this respect, it submits that the evidence does not indicate how sales are made through the websites, noting that the evidenced "Web feature listings", for example, do not show any "Add to Cart" or similar functionality.

[24] I note at this point that, near the end of the hearing, Mr. Cross, representing the Owner, conceded that no *retail* outlet services were performed during the relevant period in association with the Mark. He specifically indicated that "and retail" could be deleted from the statement of services.

[25] Indeed, I accept that, at best, the evidence is unclear as to whether the Mark was displayed in association with the “operation of . . . *retail* outlets specializing in health care products”. In this respect, I note that Mr. Cross states the following in his affidavit: “While WHol-Health continues to provide an outlet contact for wholesale product sales to retail stores, Hedonics maintains direct consumer sales through its online website” [page 29]. Furthermore, the evidenced “Web feature listings” that appear to be from the Hedonics website only display the Mark in association with particular Whol-Health products, as do the evidenced invoices from Hedonics. The operation of a *retail* outlet specializing in health products in association with the Mark is not otherwise clearly demonstrated in the evidence. To the extent that retail outlet services were offered during the relevant period, they appear to have been offered in association with the Hedonics trademark.

[26] With respect to the operation of a wholesale outlet, however, the Owner submits that such services should be maintained. Indeed, in his affidavit, Mr. Cross makes reference to the Owner’s wholesale efforts “for many years now” via *www.Whol-Health.com* [page 20], stating that health products were listed on that website from December 2017 to October 2019 [page 17] and, further that the Owner “continues to provide” an outlet contact for wholesale product sales to retail stores [page 29].

[27] I am satisfied that the Mark was displayed on that website, as shown by the evidenced “Web feature listings” printouts. In my view, a consumer visiting the Owner’s website would have associated the Mark with the Owner’s wholesale services and with the branded products themselves. At a minimum, I accept that the Owner advertised its wholesale outlet services through the *www.Whol-Health.com* website during the relevant period.

[28] In any event, Mr. Cross provides invoices issued by the Owner, that he identifies as “wholesale invoices” to wholesale customers [Cross Affidavit, page 20]. Although Mr. Cross does not expressly link the *www.Whol-Health.com* website with these invoiced sales, Mr. Cross refers to that website as the channel of trade where the Owner’s products are available wholesale [page 12]. I also note that the invoices provide a phone number for the Owner which, in my view, would also constitute an “outlet”, alone or in conjunction with the Owner’s website.

[29] As such, with respect to the Requesting Party's assertion that the Owner failed to evidence a sufficient level of interactivity to constitute the operation of an "outlet", I consider any required interactivity is implied – if not demonstrated – by the evidenced sales in Canada.

[30] In view of all of the foregoing, based on a fair reading of the evidence as a whole, I am satisfied that the Owner has demonstrated use of the Mark only in association with the operation of a *wholesale* outlet specializing in health products within the meaning of section 4(2) and 45 of the Act.

[31] As the Owner has not provided any evidence of special circumstances excusing the absence of use of the Mark, the registration will be amended accordingly.

DISPOSITION

[32] 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 maintained with respect to the goods and amended to delete "and retail" from the statement of services.

[33] The amended statement of goods and services will now read as follows:

Goods: Health products, namely vitamin containers.

Services: Operation of a wholesale outlet specializing in health products.

Andrew Bene
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE: 2022-03-22

APPEARANCES

Harold Cross	For the Registered Owner
Melissa Binns	For the Requesting Party

AGENTS OF RECORD

No Agent Appointed	For the Registered Owner
Gowling WLG (Canada) LLP	For the Requesting Party