

OPIC



CIPO

LE REGISTRAIRE DES MARQUES DE COMMERCE
THE REGISTRAR OF TRADEMARKS

Citation: 2022 TMOB 093

Date of Decision: 2022-05-10

IN THE MATTER OF A SECTION 45 PROCEEDING

Dong Phuong Group Partnership

Requesting Party

and

**Shaoguan Risen Trading Corporation
Ltd.**

Registered Owner

**TMA287,136 for DOUBLE
SWALLOW BRAND & DESIGN**

Registration

INTRODUCTION

[1] At the request of Dong Phuong Group Partnership (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) on August 22, 2019, to Shaoguan Risen Trading Corporation Ltd., the current owner (the Owner) of registration No. TMA287,136 for the trademark DOUBLE SWALLOW BRAND & DESIGN (the Mark) shown below:



[2] The Mark is registered for use with the following goods: Rice vermicelli, glutinous rice flour, rice flour and instant rice vermicelli.

[3] Section 45 of the Act requires the registered owner of the trademark 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 between August 22, 2016 and August 22, 2019 (the Relevant Period).

[4] The relevant definition of use 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.

[5] In the absence of use as defined above, 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 that excuse the absence of use.

[6] 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. As such, the evidentiary threshold that the registered owner must meet is quite low [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448 at para 68] and “evidentiary overkill” is not required [see *Union Electric Supply Co v Canada (Registrar of Trade Marks)* (1982), 63 CPR (2d) 56 (FCTD) at para 3]. Nevertheless, sufficient facts must still be provided to allow the Registrar to conclude that the mark was used in association with the goods. While it is clear from the jurisprudence that this burden is not a stringent one, the owner must establish a *prima facie* case of use during the relevant period within the meaning of section 4 of the Act [*Brouillete Kosie Prince v Orange Cove-Sanger Citrus Association*, 2007 FC 1229].

[7] In response to the Registrar’s notice, the Owner furnished the affidavit of Mr. Michael Ma.

[8] The Requesting Party submitted written representations. The written representations submitted by Jie Tan on behalf of the Owner are not of record in this proceeding, for the reasons provided in the Registrar's letter of February 20, 2020. Both parties were represented at an oral hearing.

PRELIMINARY ISSUE: RECORDING OF THE HEARING

[9] Before the hearing, the Requesting Party advised the Registrar that a court reporter would attend the hearing to transcribe the hearing so that:

- a) any play-back can be slowed down to accommodate the representative of the Requesting Party, who speaks English as a second language; and
- b) a transcript can be produced for translation to Vietnamese.

After several exchanges between the parties, the Registrar issued a ruling on February 14, 2022 permitting the court reporter's attendance and confirming the parties' agreement that the transcript would not be filed in any tribunal or court anywhere in the world, which would be stated on the record by the Requesting Party.

[10] The day before the hearing, the Owner informed the Registrar of its intention to use screen sharing to show excerpts from the section 45 notice, Mr. Ma's affidavit and the case law. The Requesting Party responded by reserving its right to use the transcript for judicial review purposes.

[11] At the beginning of the hearing, I noted that no representatives from the Requesting Party were in attendance, which appeared to negate the stated need for a recording and transcript to allow for playback at a slower speed or for translation into Vietnamese.

[12] However, after hearing the parties' submissions and in the absence of objection from the Owner, I permitted the court reporter to generate the record for the absent directors and officers of the Requesting Party, to aid in their understanding of the hearing.

[13] While the Registrar's hearings are open to the public, this does not extend to recording or transcribing hearings to be made available after the fact. The Supreme Court of Canada in

Canadian Union of Public Employees, Local 301 v Montreal (City), [1997] 1 SCR 793 found that administrative bodies are normally under no obligation to make verbatim transcripts or recordings of their proceedings, provided that the practice does not substantially interfere with a court’s ability to review the initial decision on its merits. Here, there is no statutory requirement for the Registrar to transcribe or record its hearings. Section 45 hearings are limited in scope with no testimony or new evidence being presented at the hearing. These hearings focus on legal arguments and the application of the law to the facts of the case, which have already been made of record. There are limited rulings made during a section 45 hearing.

[14] Finally, as I have no control over the final product or the qualification of the person transcribing the hearing, the transcript will not be considered to be an official transcript of the hearing and it will not form part of the record of the present proceeding. The Requesting Party also acknowledged at the hearing that “the transcripts of the February 22, 2022 oral hearing before the Canadian Intellectual Property Office will not be filed in any tribunal or court anywhere in the world”. Lastly, the Owner agreed to only use the screen share functionality for the case law and the section 45 notice.

OVERVIEW OF THE EVIDENCE

[15] Mr. Ma is the President of WM International Inc., which he states is the exclusive distributor in North America for the Owner’s DOUBLE SWALLOW BRAND rice noodle products.

[16] Mr. Ma states that, since 2016, his company and the Owner never ceased to use the Mark in association with rice stick and rice vermicelli products (para 3). He also states that the Mark has become well known among the Chinese consumers and restaurants in the USA and Canada and that the annual revenue amounts to hundreds of thousands of dollars year (para 3).

[17] Mr. Ma attaches the following to his affidavit:

- (a) **Exhibit 1** -a photograph of the front of a rice vermicelli package featuring the Mark.

- (b) **Exhibit 2** - an export invoice from Shaoguan Ruisheng Trading Corporation Ltd. to WM International Inc. detailing a shipment of 1205 cartons of vermicelli and referring to contract No. 190080.
- (c) **Exhibit 3** - a Bill of Lading also detailing 1205 cartons and referring to contract No. 190080 and GZTOR1908003, and
- (d) **Exhibit 4** - a form entitled “Canada Customs Coding Form” referring both to GZTOR1908003 and to contract No. 190080.

Exhibits 2-4 are all dated during the Relevant Period.

ANALYSIS AND REASONS FOR DECISION

Preliminary evidence issue: objections to Mr. Ma’s evidence based on hearsay

[18] The Requesting Party submits that Mr. Ma’s affidavit and the documents attached in support are hearsay and should be deemed inadmissible. However, given the summary nature of a section 45 proceeding, any concerns with respect to hearsay evidence can go to weight, rather than admissibility [*Eva Gabor International Ltd v 1459243 Ontario Inc*, 2011 FC 18 at para 18]. Furthermore, it is well established that the evidence filed under section 45 may be given by a third party on behalf of a registered owner [*Canada (Registraire des marques de commerce) v Harris Knitting Mills Ltd* (1985), 4 CPR (3d) 488 (FCA) at para 14]. In this case, Mr. Ma states that he is the President of the exclusive distributor of the Owner in North America. Given the nature of his position and the relationship between his company and the Owner, I accept that Mr. Ma would be knowledgeable about the distribution of the Owner’s products in Canada. Furthermore, I consider that by virtue of his position he would have access to the business records attached to his affidavit. Accordingly, his affidavit and exhibits are admissible.

Glutinous rice flour, rice flour and instant rice vermicelli

[19] The Owner concedes that the evidence is silent as to the use of the Mark in Canada in association with glutinous rice flour, rice flour and instant rice vermicelli during the Relevant

Period. Since there is no evidence before me of special circumstances excusing non-use of the Mark, the registration will be amended to delete these goods.

Rice vermicelli

[20] The law is clear that the use of a trademark at any point along the chain of distribution is sufficient to demonstrate use as defined in section 4 of the Act, and that such use will enure to the benefit of the trademark owner provided that the chain of distribution begins with the trademark owner [*Manhattan Industries Inc v Princeton Manufacturing Ltd* (1971), 4 CPR (2d) 6 (FCTD)].

[21] While Mr. Ma refers to the Owner as Shaoguan Risen Trading Corporation Ltd. in his affidavit, the export invoice (Exhibit 2), the Bill of Lading (Exhibit 3) and the Canada Customs Coding Form (Exhibit 4) refer to Shaoguan Ruisheng Trading Corporation Ltd. With respect to Exhibit 1, the photograph of a package of vermicelli, the only entity identified on the package is the Canadian distributor, Kari-Out Co.

[22] At the hearing, the Owner submitted that, as the difference between the names is only one word, it is logical to infer that these exhibits reference the Owner and that Shaoguan Ruisheng Trading Corporation Ltd. is a translation or transliteration of the Owner's name. In support, the Owner also points out that (i) the addresses appearing in Exhibits 3 and 4 are the same as the address of the Owner in the registration and (ii) Mr. Ma's evidence is that the Owner is referenced in the supporting documents. The Owner submits that the evidence must be considered as a whole and, when it is, it shows use of the Mark by the Owner.

[23] While the evidence in a section 45 proceeding need not be perfect, the Owner must still establish a *prima facie* case of use, meaning that it cannot merely assert use but must show use, and such use must enure to the Owner.

[24] In this case, I find the difference between the names to be important. Mr. Ma neither attests that the Owner does business under the name indicated in the documents, nor states that it is a translation or transliteration of the Owner's name. Rather, he states that his company and the Owner have never ceased to use the Mark and then references the Exhibits:

3. From 2016 to present my company and [the Owner] never cease to use this Mark on rice stick and rice vermicelli products, and this Mark has become well known among Chinese consumers and restaurants in the US and Canada, the annual revenue amounts to hundreds of thousands of dollars a year.

4. One recent example of such respective product package of use and export invoice, bill of lading, custom declaration in Canada are attached herein as Exhibit 1 to Exhibit 4.

Without an explanation in Mr. Ma's affidavit in regard to the difference between the names, it would be a matter of speculation, not inference, to find that the entity identified in the documents is the Owner.

[25] This case is distinguishable from *LIDL Stiftung & Co KG v Joseph Rutigliano & Sons Inc*, 2005 CanLII 91226 (TMOB), and *Eveready Battery Company, Inc v Les Outillages King Canada Inc*, 2016 TMOB 178. The Owner submits that in these cases the Registrar accepted that the owner had used the registered trademarks even though the supporting documents referenced an entity with a name that was spelled differently. However, in addition to the owners' address being shown in the supporting documents, the names shown were abbreviated forms of the registered owners' names. Moreover, the owner's name appeared on the packaging in *LIDL* and the abbreviation on the packaging was defined by the affiant as being the owner in *Eveready*.

[26] Finally, Mr. Ma does not identify the Owner as beginning the chain of distribution of the rice vermicelli referenced in the affidavit, nor does the Owner's name appear on the photo of the packaging.

[27] Having regard to the above, I find that the evidence considered as a whole falls short of establishing a *prima facie* case that the Mark was used by the Owner. As there is no evidence before me of special circumstances excusing the absence of such use, the registration will be expunged.

DISPOSITION

[28] Based on the above findings, 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.

Natalie de Paulsen
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

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

HEARING DATE 2022-02-22

APPEARANCES

Daniel M. Anthony
Reagan Seidler

For the Registered Owner

Bayo Odutola
Julie Daet

For the Requesting Party

AGENTS OF RECORD

Smart & Biggar LLP

For the Registered Owner

OLLIP P.C.

For the Requesting Party