

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2022 TMOB 259

Date of Decision: 2022-12-20

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: Perjiran PJSC

Registered Owner: Silver Choice Inc.

Registration: TMA827,919 for GOLESTAN (Farsi) Design

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. TMA827,919 for the trademark GOLESTAN (Farsi) Design (the Mark), depicted below:



[2] The registration contains the following colour claim and foreign character translation and transliteration:

<u>Colour claim:</u> Colour is claimed as a feature of the trade-mark. As provided by the Applicant, the outer wreath is the colour gold. The inner portion of the wreath is the colour red. The Farsi script is the colour white.

<u>Foreign Character Translation:</u> As provided by the Applicant, "Golestan" which is a Farsi word which translates in English as "heaven".

<u>Foreign Character Transliteration:</u> As provided by the Applicant, the transliteration of the script is "Golestan".

[3] The statement of goods and services in the registration is reproduced below:

Goods

(1) Great northern beans, mung beans, garbanzo beans, red lentils, green lentils, black eye peas, yellow split peas, soft wheat kernel, cumin seeds, turmeric, spice for rice, BBQ powder, black caraway seeds, black pepper, white pepper, cardamom green, cayenne pepper, cloves, coriander, curry powder, fish powder, garlic granulated, marjoram ground, pistachios, dried nuts, almonds, peanuts, pumpkin seeds, sun flower seeds, kabobo seasoning, shallots, barberry, saffron, quince preserve, rose petal jam, sour cherry preserve, saffron, red raisin (poloyi) and white Iranian rice.

<u>Services</u>

- (1) Importing, exporting and distributing food products and ingredients.
- [4] For the reasons that follow, the registration will be maintained in part.

PROCEEDING

- [5] At the request of Perjiran PJSC (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on August 17, 2020, to the owner of the registration, Silver Choice Inc. (the Owner).
- [6] The notice required the Owner to show whether the Mark was used in Canada in association with each of 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 17, 2017 to August 17, 2020.

- [7] 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.
- [8] 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 "dead wood" from the register. The evidence in a section 45 proceeding need not be perfect; indeed, a registered owner need only establish a *prima facie* case of use within the meaning of sections 4 and 45 of the Act. This burden of proof is light; evidence need only supply facts from which a conclusion of use may follow as a logical inference [see *Diamant Elinor Inc v* 88766 Canada Inc, 2010 FC 1184 at paras 2 and 9].
- [9] The above being said, mere assertions of use are not sufficient to demonstrate use [*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 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 and services specified in the registration during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].
- [10] Where the owner has not shown "use", the registration is liable to be expunged or amended, unless there are special circumstances that excuse the absence of use.

- [11] In response to the Registrar's notice, the Owner filed the affidavit of Sepideh Fallah, sworn in Toronto, Ontario on March 3, 2021 (the Fallah Affidavit).
- [12] Neither the Requesting Party nor the Owner filed written representations, and neither party requested a hearing.
- [13] I note that the same Requesting Party also initiated a section 45 proceeding against the Owner's registration No. TMA828,448 for the trademark Golestan (English) Design, which is essentially the same trademark as the Mark except that the word "Golestan" is written in Latin characters rather than in Farsi script. The relevant period for the two proceedings is the same and the same Fallah Affidavit was filed by the Owner in respect of both proceedings. This decision will address registration No. TMA827,919 for the Mark. Registration No. TMA828,448 for the trademark GOLESTAN (English) Design is addressed in a separate decision.

EVIDENCE

- [14] Ms. Fallah is the Director of the Owner. She states that the Owner is the current registered owner of trademark Nos. TMA827,919 "Golestan (Farsi) Design" and TMA828,448 "Golestan (English) Design" (referred to in the affidavit as the "Golestan Marks"). She states that the Golestan Marks were assigned to the Owner on August 13, 2020 from the previous registered owner, Bestin World Inc. ("Bestin").
- [15] Ms. Fallah describes that together with her former spouse, Kioumars Ebrahimi, she owns another company named Trust Express Inc. ("Trust"). Trust was incorporated in 2000 and has been used as a producer, distributor, wholesaler, importer and exporter of a variety of food items. Ms. Fallah and her former spouse are the only directors and shareholders of Trust.
- [16] Ms. Fallah describes that in 2016 she incorporated the Owner to expand their business. She describes the Owner as a producer, distributor, wholesaler, importer and exporter of a variety of food items including, but not limited to, dried fruits, nuts, spices and seeds. She states that the Owner's customers are located all over Canada and the United States.

- [17] Ms. Fallah states that the Owner is the company that holds the trademarks and handles the import, production, and packaging of food products, while Trust completes the distribution and sale of the products. Trust distributes and sells a variety of products from multiple suppliers, including products that are produced or imported by the Owner.
- [18] As evidenced on the trademark registry printout attached as Exhibit "B" to the Fallah Affidavit, the Golestan Marks were originally registered by Bestin in July of 2012. Ms. Fallah describes the marks themselves as logos, one containing the word "Golestan" in English, and the other containing the same word written in Farsi.
- [19] Ms. Fallah states that starting in 2017, the Owner began purchasing food products from Bestin, which were then sold by Trust. Attached as Exhibit "C" to her affidavit are two sample invoices from 2019 indicating the Owner's purchase of certain Golestan products from Bestin. Various food items are identified in the body of these invoices in association with the trademark GOLESTAN (e.g. "Golestan Iranian Rice 10x1kg", "Golestan Curry Powder 12x100g", "Golestan Garlic powder x 15", etc.).
- [20] At paragraph 9 of the affidavit, Ms. Fallah provides a list of Golestan products which the Owner has purchased from Bestin over the years. Many of the listed products correspond to those in registration No. TMA827,919.
- [21] Attached as Exhibit "D" to the Fallah Affidavit are photos of some of the products that Ms. Fallah states were purchased from Bestin before July of 2020 and which were sold to the Owner's customers through Trust. Each of the products in Exhibit "D" is in packaging which displays the Mark. The photos were taken at one of the Owner's customer's stores. Ms. Fallah states that prior to the section 45 request, there was no reason for the Owner to take a photo of each product purchased from Bestin; as such, the affidavit does not include photos of every item described in paragraph 9 of the affidavit.
- [22] As introduced above, Ms. Fallah states that after the Owner purchases or produces products, the sale and distribution is carried out by Trust. Exhibit "E" are invoices from the years 2017-2020 which are described as showing the sale of Golestan

products that were purchased by the Owner and subsequently distributed by Trust. The invoices in Exhibit "E" are each from Trust to a customer which is not identified. Ms. Fallah states that the names of customers have been redacted from the invoices for business privacy. I note that each of the invoices in Exhibit "E" are dated within the relevant period, identify certain goods in the body of the affidavit as "Golestan" and display prices in Canadian dollars.

- [23] Ms. Fallah describes that in 2019, the Owner wanted to expand the distribution of Golestan products because they sold well. Ms. Fallah states that when she discussed the possibility of additional advertising with Bestin, they were not interested; however, Bestin agreed to further advertising Golestan if the Owner incurred the costs. As such, Ms. Fallah states that she retained branding and advertising companies to further advertise Golestan products. In this regard, Exhibit "F" is an invoice to the Owner from Dev Guys Inc. dated December 11, 2019 for the design of posters for the Golestan brand, and an invoice from 80 Twenty dated December 1, 2019 for social media advertising for Golestan products.
- [24] Ms. Fallah states that considering the fact that the Owner had invested heavily in the Golestan brand, she began negotiating with Bestin in June 2020 to purchase the Golestan Marks, and that she planned to expand the Golestan products to include all of the goods and services with which they were already registered, and even go beyond that and add various new products. In June 2020, the Owner entered into an assignment agreement whereby it purchased the Golestan Marks from Bestin. The formal recording of that assignment with the Canadian Intellectual Property Office took place on August 13, 2020 (the Owner's letter to CIPO filing the assignment being dated June 9, 2020) and the section 45 notice issued shortly thereafter on August 17, 2020.
- [25] In paragraph 16 of the affidavit, Ms. Fallah describes how after taking ownership of the Golestan Marks from Bestin, additional products where launched "[a]s of the date of this affidavit"; however precise dates are not provided.
- [26] Exhibit "H" to the Fallah Affidavit is described as photos of the products bearing the Mark that the Owner produces, sells and distributes through Trust to various

customers in Canada and the United States. Exhibit "I" is described as photos of the products bearing the trademark Golestan (English) Design that the Owner produces, sells and distributes through Trust. Ms. Fallah states that the bottom half of the labels in Exhibits "H" and "I" identify the Owner as the company that produces the products.

- [27] Attached as Exhibit "K" are sample invoices which show the sale of Golestan products that were produced by the Owner, and sold through Trust, after the marks were acquired from Bestin. Ms. Fallah states that the names of customers have been redacted for business privacy. I note that only the first invoice in Exhibit "K" (dated June 24, 2020) is dated within the relevant period. The remainder of invoices in Exhibit "K" are dated after the relevant period.
- [28] At paragraphs 22 and 23 of the affidavit, Ms. Fallah states that the Owner is in the process of launching certain additional products under the Golestan Marks, and plans to launch even further products beyond what is listed in the registrations; however, the launch of some of the products has been significantly affected by the COVID-19 pandemic and the downturn in the economy.

ANALYSIS

Goods

- [29] It is apparent from the Fallah Affidavit that the Mark is not "dead wood". As will be discussed below, the evidence indicates that the Mark was in use in Canada in association with various food goods during the relevant period by the Owner's predecessor-in-title Bestin, and then by the Owner who acquired the Mark shortly before the section 45 notice issued. Thus, the question becomes not whether use *per se* has been demonstrated, but whether the Owner has demonstrated that use took place in association with the full complement of goods in the registration, as well as the services.
- [30] For example, Exhibit "C" to the Fallah Affidavit includes invoices for the sale of the following Golestan products from Bestin to the Owner in 2019: Iranian Rice, Yellow Split Beans, Romano Beans, Tomato Paste, Curry Powder, Mix Pickle, Garlic powder, Sour Cherry Jam, Red Lentil, Cube Sugar, Green Lentil, Spices (Turmeric, Tice, Black

& White Pepper), Pistachio, Saffron, Polo Raisin, Rock Candy, Mung Beans. The products listed in the invoices in Exhibit "C" corelate to many of the goods in the registration, along with some additional goods not included in the registration. Exhibit "D" to the Fallah Affidavit depicts examples of images of many of these products in packaging bearing the Mark. These sales of goods from Bestin to the Owner in Canada, in conjunction with images of the goods in packaging bearing the Mark in Exhibit "D", at the very least constitutes *prima facie* evidence of use of the Mark in Canada during the relevant period in association with the Golestan products listed in the invoices in Exhibit "C".

- [31] In addition, Exhibit "E" to the Fallah Affidavit includes invoices during the relevant period from the sale of Golestan products by the Owner which were distributed by Trust. I note that the identity and address of the customer is not provided in these invoices; however, the invoices are in Canadian dollars and so I am prepared to infer based on the evidence as a whole that these sales took place in Canada. Many of the Golestan products listed in the invoices in Exhibit "E" appear to correspond with the images of the goods in packaging bearing the Mark seen in Exhibits "D" and "H". As a consequence, again, I am satisfied that this constitutes prima facie evidence of use of the Mark in Canada during the relevant period in association with the Golestan products listed in the invoices in Exhibit "E". Further, I note that Trust is characterized in the Fallah Affidavit as a distributor in connection with the Golestan products, and so I am satisfied that sales by Trust constitute use of the Mark by the Owner [see Advance Magazine Publishers Inc v Vogue Sculptured Nail Systems Inc, 2010 TMOB 129 at para 28; and BCF SENCRL v Anton Riemerschmid Weinbrennerei und Likörfabrick GmbH & Co KG (2008), 72 CPR (4th) 226 (TMOB) at para 10].
- [32] However, there are some goods listed in the registration for which in my view no evidence of use during the relevant period has been shown. In particular, for certain goods in the registration I could find no reference to those goods in invoices from the relevant period. These goods are as follows: Great northern beans, garbanzo beans, cumin seeds, BBQ powder, black caraway seeds, cayenne pepper, cloves, coriander, fish powder, marjoram ground, dried nuts, peanuts, kabobo seasoning, rose petal jam.

In addition, in my view, there is no evidence of exceptional circumstances justifying the absence of use of the Mark in association with these goods. Therefore, these goods will be struck from the registration.

[33] To assist in understanding my findings in this case, I have set out in the table below the goods listed in the registration, my finding as to whether there is evidence of use of the Mark in Canada during the relevant period in association with that good, and relevant references to the Fallah Affidavit that are consistent with that conclusion.

| Goods | Evidence of use? | Exhibit Reference(s) in Fallah Affidavit |
|----------------------|------------------|--|
| great northern beans | No | |
| mung beans | Yes | C, E, K, H |
| garbanzo beans | No | |
| red lentils | Yes | C, E, H |
| green lentils | Yes | C, E, H |
| black eye peas | Yes | E, K, H |
| yellow split peas | Yes | C, E, K |
| soft wheat kernel | Yes | E, H |
| cumin seeds | No | |
| turmeric | Yes | C, D, E |
| spice for rice | Yes | C, D, E C, H |
| BBQ powder | No | |
| black caraway seeds | No | |
| black pepper | Yes | C, D, E C, E, |
| white pepper | Yes | C, E, |
| cardamom green | Yes | D, E |
| cayenne pepper | No | |
| cloves | No | |
| coriander | No | |
| curry powder | Yes | C, D |
| fish powder | No | |
| garlic granulated | Yes | C, D, H |
| marjoram ground | No | |
| pistachios | Yes | C, E, H |
| dried nuts | No | |
| almonds | Yes | E, H |
| peanuts | No | |
| pumpkin seeds | Yes | E, H |
| sun flower seeds | Yes | E |
| kabobo seasoning | No | |

| shallots | Yes | E, H |
|----------------------|-----|------------|
| barberry | Yes | E, H |
| saffron | Yes | C, E |
| quince preserve | Yes | E |
| rose petal jam | No | |
| sour cherry preserve | Yes | C, E, H |
| saffron | Yes | C, E |
| red raisin (poloyi) | Yes | C, E, H |
| white Iranian rice | Yes | C, D, E, K |

Services

[34] The services are described in the registration as "Importing, exporting and distributing food products and ingredients." As discussed above, I have found that the Mark was displayed on the packaging for certain food goods which were sold in Canada during the relevant period. At paragraph 5 of the Fallah Affidavit, the Owner is described as "a producer, distributor, wholesaler, importer and exporter of a variety of food items including, but not limited to, dried fruits, nuts, spices and seeds. Silver's customers are located all over Canada and the United States." Further, at paragraph 25 of the affidavit, Ms. Fallah states "[a]s indicated above, Silver sells its products throughout Canada and the United States; as such, it has exported some of its Golestan products to the US." Given that the Mark has been displayed on the packaging of various food goods in the context of the business activity described above, and in the absence of any arguments to the contrary by the Requesting Party, I am prepared to accept that the Owner has demonstrated at least prima facie evidence of use of the Mark in association with the listed services during the relevant period. Therefore, the services in the registration will be maintained.

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 the following goods: Great northern beans, garbanzo beans, cumin seeds, BBQ powder, black caraway seeds, cayenne pepper, cloves, coriander, fish powder, marjoram ground, dried nuts, peanuts, kabobo seasoning, rose petal jam.

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

<u>Goods:</u> mung beans, red lentils, green lentils, black eye peas, yellow split peas, soft wheat kernel, turmeric, spice for rice, black pepper, white pepper, cardamom green, curry powder, garlic granulated, pistachios, almonds, pumpkin seeds, sun flower seeds, shallots, barberry, saffron, quince preserve, sour cherry preserve, saffron, red raisin (poloyi) and white Iranian rice.

Services: Importing, exporting and distributing food products and ingredients.

Timothy Stevenson Member Trademarks Opposition Board Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: No hearing held

AGENTS OF RECORD

For the Requesting Party: GOWLING WLG (CANADA) LLP

For the Registered Owner: ESMAEIL MEHRABI (MEHRABI LAW OFFICE)