



# Canadian Intellectual Property Office

## **THE REGISTRAR OF TRADEMARKS**

**Citation:** 2022 TMOB 266

**Date of Decision:** 2022-12-29

## **IN THE MATTER OF A SECTION 45 PROCEEDING**

**Requesting Party:** Lomic Law

**Registered Owner:** B.B. Dakota, Inc.

**Registration:** TMA341,940 for B.B. DAKOTA

### **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. TMA341,940 for the trademark B.B. DAKOTA (the Mark).

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

Men's and ladies' outerwear, namely, leather and cloth coats, jackets, pants and skirts.

[3] For the reasons that follow, I conclude that the registration ought to be amended.

## **PROCEEDING**

[4] At the request of Lomic Law (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on July 27, 2020, to B.B. Dakota, Inc. (the Owner), the registered owner of the Mark.

[5] 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 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 27, 2017 to July 27, 2020.

[6] 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.

[7] 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.

[8] In response to the Registrar’s notice, the Owner furnished an affidavit of Gloria Brandes sworn on June 15, 2021, to which were attached Exhibits A to G.

[9] Both parties submitted written representations and were represented at an oral hearing.

## **EVIDENCE**

[10] In her affidavit, Ms. Brandes states that she is the founder of the Owner and has been the President, CEO for over 30 years. She confirms that by virtue of her position, she has personal knowledge of the matters to which she deposes and access to the records and information provided in her affidavit.

[11] Ms. Brandes describes the Owner as a California-based company that has sold contemporary apparel under the Mark through department stores, ecommerce retailers and specialty boutiques for more than 30 years. She states that, during the relevant period, the Owner offered for sale and sold in Canada a wide variety of apparel bearing the Mark, including the registered goods [para 6].

[12] In this respect, Ms. Brandes states that, since at least as early as 2004, the Owner has operated its own website and online retail store featuring the Mark through *www.bbdakota.com*, which is accessible in Canada. Ms. Brandes further states that the Owner used the Mark during the relevant period by selling and delivering in Canada to customers who ordered the registered goods through the online retail store [Brandes affidavit, paras 3 and 13]. She provides printouts taken from the Internet Archive system WayBack Machine (the Archive Printouts).

[13] In addition to sales through the Owner's website, Ms. Brandes states that the Owner also sells clothing under the Mark to its Toronto-based distributor, P.Y.A. Importer LTD (PYA). According to Ms. Brandes, for at least the last four years, PYA distributed the Owner's products to hundreds of retailers throughout Canada such as The Hudson's Bay Company (The Bay). In particular, she states that The Bay continuously sold the registered goods during the relevant period through its website, *www.thebay.com*, and its retail stores [Brandes affidavit, paras 11 and 12].

[14] Ms. Brandes correlates each of the registered goods (leather and cloth coats, jackets, pants and skirts) with some of the goods listed in the exhibited PYA invoices and she includes a chart (the Correlation Chart) to her affidavit. The information included in the Correlation Chart is taken from a sales chart (the Sales Chart) [Brandes affidavit, para 9].

[15] Finally, Ms. Brandes attests that the registered goods prominently displayed the Mark on garment tags and labels when each sale occurred in Canada during the relevant period [Brandes affidavit, paras 10 and 16].

[16] In support, the following relevant exhibits are attached to Ms. Brandes' affidavit:

- Several invoices issued by the Owner to PYA dated during the relevant period [Exhibit B]. Ms. Brandes states that these invoices are representative and detail examples of sales of the registered goods during the relevant period. I note that the Mark appears at the top of the invoices;
- The five-page Sales Chart [Exhibit C]. Ms. Brandes states that this chart summarizes evidence of sales to PYA of the registered goods during the relevant period. She explains that the product's names found in Exhibit B are listed in this chart. I note that the product's names appearing in the description field of the invoices are listed under the "Style Description" column in the Sales Chart. I also note that two other columns, namely "Category Description" and "Product Class Description" also appear in the Sales Chart;
- Two images of apparel [Exhibit D]. The first image is a close-up of a white clothing item showing a fabric garment label stitched thereto and a cardboard tag, both displaying the Mark. The second image is a close-up of a beige knitted top with a fabric garment label displaying the Mark stitched thereto and a blank white cardboard tag attached to the garment label. At paragraph 10 of her affidavit, Ms. Brandes attests that these images "are representative of how [the Owner] used the Mark during the Relevant Period in Canada". She also attests that they are "examples of apparel displaying the Mark as sold by the [Owner] in Canada during [such period]";
- A four-page webpage printout from The Bay's website [Exhibit E]. At paragraph 12 of her affidavit, Ms. Brandes attests that these printouts are representative of the registered goods offered for sale and sold through The Bay's online store during the relevant period. I note that the Mark appears at the top of the webpage which is located within the "Women" section. The Mark also appears below each image of women models wearing clothes in all the printouts;
- Several Archive Printouts corresponding to the March 28, 2018 version of the Owner's website [Exhibit F]. I note that below the "International Shipping" section, the printouts show images of women models wearing clothes;

- A spreadsheet printout, which Ms. Brandes identifies as “an example of an online sale into Canada” made on July 4 2020 [Exhibit G]. I note that the printout identifies the product sold as a “Short Story Denim Overall – Black/ M”.

### **ANALYSIS AND REASONS FOR DECISION**

[17] In its written representations, the Requesting Party made numerous submissions with respect to the Brandes affidavit and accompanying exhibits. Its core arguments are related to the following questions: (i) how Ms. Brandes obtained some information and documents; (ii) whether the Mark was used as registered; (iii) whether notice of association was given at the time of transfer; (iv) whether the PYA invoices sufficiently demonstrate sales, and (v) whether the evidence accurately shows use of the Mark in association with *each* of the goods specified in the registration.

#### ***Hearsay issue***

[18] The Requesting Party submits that Ms. Brandes does not explain how she obtained some of the documents attached to her affidavit. For example, it submits that Ms. Brandes does not state how the Sales Chart [Exhibit C] was generated and she does not provide any information explaining how the information was obtained. Similarly, regarding the example online sale into Canada [Exhibit G], it submits that Ms. Brandes does not explain what this document is or how it was obtained.

[19] However, given the summary nature of section 45 proceedings, “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].

[20] In the present case, Ms. Brandes states that, by virtue of her position, she has access to the Owner’s records and has personal knowledge of the matters to which she deposes. Given her position with the Owner, I accept that she would generally be knowledgeable about the Owner’s products and these documents’ content. Accordingly, I accept that the Sales Chart and the example of online sale are admissible in support of Ms. Brandes’ assertions and correlations with the registered goods. Furthermore, if she did not prepare these exhibits herself, given the summary nature of section 45

proceedings, it would be evidentiary overkill to require the Owner to furnish additional affidavits from employees who may have prepared these documents or who may have provided the information related thereto to Ms. Brandes.

[21] That said, I agree with the Requesting Party that the example of online sale is not particularly probative. Indeed, the sole product listed, namely a “Short Story Denim Overall” does not appear to be part of the registered goods and Ms. Brandes does not correlate it to any of the registered goods.

[22] The question of whether the Sales Chart along with the rest of the evidence sufficiently demonstrates use of the Mark in association with the registered goods will be dealt with further below.

### ***Deviation issue***

[23] The Requesting Party submits that the trademark in evidence is a deviation of the registered word mark as the two periods between the letters B are omitted. I reproduce below the trademark as it appears throughout the evidence:

**BB DAKOTA**

[24] In considering whether the display of a trademark constitutes display of the trademark as registered, the question to be asked is whether the trademark was displayed in such a way that it did not lose its identity and remained recognizable, in spite of the differences between the form in which it was registered and the form in which it was used [*Canada (Registrar of Trade Marks) v Cie internationale pour l'informatique CII Honeywell Bull SA* (1985), 4 CPR (3d) 523 (FCA)]. In deciding this issue, one must look to see whether the dominant features of the registered trademark have been preserved [*Promafil Canada Ltée v Munsingwear Inc*, 1992 CanLII 12831, 44 CPR (3d) 59 (FCA); *Pizzaiolo Restaurants Inc v Les Restaurants La Pizzaiolle Inc*, 2016 FCA 265]. This is a question of fact to be determined on a case-by-case basis.

[25] In the present case, comparing the registered word mark with the trademark shown within the evidence, I find that the Mark did not lose its identity and remains recognizable. In my view, the omission of the periods between the letters BB does not change the identity of the Mark; the dominant feature of the Mark, being the letters BB and DAKOTA are preserved. I therefore find that the dominant features of the Mark have been preserved. Thus, I consider the trademark shown throughout the evidence to constitute display of the Mark as registered for the purpose of this proceeding.

***Notice of association at the time of transfer***

[26] The Requesting Party submits that none of the exhibited website printouts show the Mark displayed directly on the goods or on labels or tags. It also submits that the PYA invoices do not constitute evidence of display of the Mark as it does not appear in the body of the invoices. Further, as the Mark is only displayed on the top of the invoices, the Requesting Party argues that the PYA invoices do not show the Mark used as a trademark but rather as a trade name.

[27] While the Archive and the Bay's printouts do not show the Mark appearing on the goods, labels or tags directly, the evidence includes images of labels and tags bearing the Mark, which Ms. Brandes attests are representative and were attached to the goods at the time of transfer [Brandes affidavit, para 10 and 16]. Therefore, notice of association was given to Canadian customers in a direct way at the time of transfer of possession, namely upon delivery of the goods. Accordingly, I find that the Owner has sufficiently demonstrated that the Mark was displayed on the goods themselves at the time of transfer during the relevant period [for a similar conclusion see *Smiths IP v Saks & Co*, 2015 TMOB 133 at para 64].

[28] As such, it is not necessary to determine whether the PYA invoices evidence use of the Mark as well.

***Sales to end consumers are not required***

[29] The Requesting Party notes that the Owner's evidence does not include consumer invoices. As none of the PYA invoices identify the goods in the same way as

in the registration, it submits that it is unclear that any of the goods listed therein are the goods specified in the registration.

[30] However, it is well-established that a registered owner's normal course of trade will often involve distributors and wholesalers and, if any part of the chain of distribution occurs in Canada, this is generally sufficient in demonstrating "use" enuring to the benefit of the owner [*Manhattan Industries Inc v Princeton Manufacturing Ltd* (1971), 4 CPR (2d) 6 (FCTD); *LIN Trading Co v CBM Kabushiki Kaisha* (1988), 21 CPR (3d) 417 (FCA)].

[31] Applied to the present case, the Owner was not required to show sales to end consumers in Canada during the relevant period. As Ms. Brandes states that the Owner sells its goods to a Toronto-based distributor and provides invoices from the relevant period, such invoices sufficiently demonstrate sales within the normal course of trade of the Owner in Canada during the relevant period.

[32] The question remains as to whether the goods listed in the PYA invoices correspond to *each* of the goods specified in the registration.

### ***Use of the Mark in association with each of the registered goods***

#### Men's (outerwear)

[33] First, the Requesting Party submits that the evidence is silent with respect to the use of the Mark in association with any "Men's" apparel. It further submits that the evidence is silent as to whether the goods are intended for ladies or men. Indeed, I note that Ms. Brandes' statements refer to "clothing", "apparel" or "outerwear" generally, and that there are no specific men's or ladies' designations in the invoices or in the Correlation Chart.

[34] In its written representations, the Owner submits that "given recent recognition of gender neutrality and freedom of expression, the [Owner's goods] should not be viewed restrictively or limited to a particular binary categories of "Men's" or "Ladies"". In view of the absence of specific men's and ladies' designations, and relying on Ms. Brandes' general statements, the Owner submits that the evidence supports the conclusion that



its apparel is gender-neutral and can be worn either by men or ladies, indistinctly. [Owner's written representations, paras 58 to 64].

[35] In the present case, although Ms. Brandes asserts use of the Mark in association with all of the registered goods, it is clear from the evidence as a whole that the Owner's goods are in the nature of outerwear for women only. In this respect, The Bay's printouts, which Ms. Brandes states display representative goods sold during the relevant period, and the Archive Printouts show that the Owner's apparel goods are directed at women. For example, these printouts show only women models and on The Bay's website, the Owner's goods are shown to be located in the "Women" section. Similarly, the assertion that the style descriptions, identifying the goods in the invoices, appear to be gender neutral is also contradicted by the Archive and The Bay's printouts. Absent further evidence, I am not prepared to infer that any of the goods shown throughout the evidence is intended for men or can be characterized as "Men's outerwear". Having distinguished "men's (outerwear)" from "ladies' outerwear" in the statement of goods, the Owner was obligated to produce evidence with respect to men's outerwear accordingly [*John Labatt Ltd v Rainier Brewing Co et al* (1984), 80 CPR (2d) 228 (FCA)].

[36] Given that the Owner has neither provided evidence of use of the Mark in association with men's outerwear nor evidence of special circumstances excusing the absence of use during the relevant period in Canada, the registration will be amended to delete "Men's [outerwear]" from the registration.

#### Leather and cloth coats

[37] The Requesting Party argues that goods correlated as leather coats and cloth coats in the Correlation Chart do not accurately correspond to the registered goods. In particular, it questions whether the leather coats sold by the Owner are actually made of leather and submitted at the hearing that it would be "unfair" to maintain the registration for this good as the PYA invoices show that they are made of polyester. The Requesting Party also questions whether the Owner's leather coats are "coats", as they are identified as "jackets" under the product class description column and the category

description in the Sales Chart. Given that “jackets” are listed as a separate registered good, it submits that “leather coats” should be deleted from the registration. Similarly, the Requesting Party questions whether the Owner’s cloth coats are “coats” as they are identified either as “jackets” or as “outerwear” under the product class description column and the category description in the Sales Chart.

[38] I first note that, in the context of section 45 proceedings, it is the evidence as a whole that must be considered and focusing on individual pieces of evidence is not the correct approach [see *Kvas Miller Everitt v Compute (Bridgend) Limited* (2005), 47 CPR (4th) 209 (TMOB)].

[39] Further and more importantly, Ms. Brandes correlates each of “leather” coats, “cloth” coats, and “jackets” with different products in the PYA invoices. In this respect, it is established that an affiant’s statements 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 at para 25], and the evidentiary threshold that the registered owner must meet in a section 45 proceeding is quite low [*Performance Apparel Corp v Uvex Toko Canada Ltd*, 2004 FC 448 at para 38]. Furthermore, absent evidence to the contrary, I see no reason to consider cloth coats as something other than outerwear. Therefore, I accept that the Sales Chart accurately identifies cloth coats as outerwear. Consequently, from a fair review of the evidence as a whole, I find that the Correlation Chart corroborates Ms. Brandes’ statements regarding use of the Mark in association with leather coats and cloth coats.

[40] Finally, with respect to the Requesting Party’s argument that the Owner’s “leather” coats are actually made of polyester, based on the principles set out in *Oyen Wiggs* and *Performance Apparel*, I find that such question is beyond the narrow scope of this section 45 proceeding, where the sole issue to be determined is whether the Mark has been used within the meaning of the Act. In any event, in my view, the evidence is consistent with applying a broad definition of “leather”, given at least one example from the Archive Printouts where one of the Owner’s products is identified as “leather”, i.e., “Vegan Leather Jacket”.

Jackets, pants and skirts

[41] Ms. Brandes' sworn statements that the Mark has been used in association with the remaining ladies' outerwear, namely jackets, pants and skirts are corroborated by representative images of garment labels and tags displaying the Mark which were attached to these goods at the purchase time. The invoices issued to PYA during the relevant period and their correlation with the above registered goods also corroborate her statements. Therefore, I am satisfied that the Owner has demonstrated use of the Mark in association with ladies' outerwear, namely jackets, pants and skirts within the meaning of the Act.

[42] For the reasons above, I am satisfied that the Owner has demonstrated use of the Mark in association with ladies' outerwear, namely leather coats and cloth coats within the meaning of the Act.

[43] In view of all of the foregoing, I am satisfied that the Owner has demonstrated use of the Mark in association with ladies' outerwear, namely, leather and cloth coats, jackets, pants and skirts within the meaning of sections 4 and 45 of the Act.

**DISPOSITION**

[44] 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 amended to delete "Men's and..." from the statement of goods.

[45] Consequently, the amended statement of goods will read as follows:

Ladies' outerwear, namely, leather and cloth coats, jackets, pants and skirts.

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Maria Ledezma  
Hearing officer  
Trademarks Opposition Board  
Canadian Intellectual Property Office

# Appearances and Agents of Record

**HEARING DATE:** 2022-11-24

## **APPEARANCES**

**For the Requesting Party:** Paul Lomic

**For the Registered Owner:** Melissa Binns

## **AGENTS OF RECORD**

**For the Requesting Party:** Lomic Law

**For the Registered Owner:** Gowling WLG Canada LLP