

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 006

Date of Decision: 2024-01-12

IN THE MATTER OF SECTION 45 PROCEEDINGS

Requesting Party: Smart & Biggar LLP

Registered Owner: ACM Glass Ltd.

Registrations: TMA967,121 for LEGENDARY, and

TMA967,120 for LEGENDARY & Design

Introduction

[1] This is a decision involving summary expungement proceedings under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration Nos. TMA967,121 for the trademark LEGENDARY (the Word Mark) and TMA967,120 for the trademark LEGENDARY & Design (the Design Mark, shown below), collectively referred to as the Marks.



- [2] The proceedings are restricted to the goods specified in the registrations as "clothing, namely, shirts, t-shirts, hooded sweatshirts, caps, and outdoor winter clothing".
- [3] For the reasons that follow, I conclude that the registrations should be amended to delete the goods at issue.

THE PROCEEDING

- [4] At the request of Smart & Biggar LLP (the Requesting Party), the Registrar of Trademarks issued restricted notices under section 45 of the Act on April 19, 2022, to the registered owner of the Marks, ACM Glass Ltd (the Owner).
- [5] The restricted notices required the Owner to show whether the Marks were used in Canada only in association with "clothing, namely, shirts, t-shirts, hooded sweatshirts, caps, and outdoor winter clothing" at any time within the three-year period immediately preceding the date of the notices and, if not, the date when they were last in use and the reason for the absence of use since that date. In both cases, the relevant period for showing use is from April 19, 2019, to April 19, 2022.
- [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] 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. The evidence in a

section 45 proceeding need not be perfect; the 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 must only supply facts from which a conclusion of use may follow as a logical inference [*Diamant Elinor Inc v* 88766 Canada Inc, 2010 FC 1184].

- [8] Where an owner has not shown "use", a registration is liable to be expunged or amended, unless there are special circumstances that excuse the absence of use.
- [9] In response to each of the notices, the Owner furnished the affidavit of Ameen Muhammad, its Director, sworn on November 21, 2022.
- [10] Both parties submitted written representations. Only the Requesting Party requested and attended an oral hearing.
- [11] In preparation for the hearing, the Registrar became aware that page 3 of Mr. Muhammad's affidavit in the proceeding relating to the Design Mark was missing from the electronic version of the record. The original paper copy filed with the Registrar was misplaced and could not be located. At the Registrar's request, the Requesting Party provided the complete copy of the affidavit which had been served upon it by the Owner. This affidavit is substantially identical to the one on record in the proceeding relating to the Word Mark, except for references to the specific mark at issue.

OVERVIEW OF OWNER'S EVIDENCE

- [12] Although the notices were restricted to "clothing, namely, shirts, t-shirts, hooded sweatshirts, caps, and outdoor winter clothing", the majority of Mr. Muhammad's evidence does not pertain specifically to these goods. Rather, his evidence pertains largely to "Goods", defined as including all those listed in the registrations, the majority of which are smoking accessories, or refers specifically to smoking accessories, which are not at issue in the present proceeding.
- [13] Mr. Muhammad's evidence is as follows:

- (a) He states that the registrations include a portfolio of nearly 40 products "ranging from high-quality smoking pipes and accessories to clothing", which are defined collectively as the "Goods", [paras 2 and 8];
- (b) He provides net sales figures for the years 2017 to 2022. For each year, net sales are provided for "the brand [...] which include the Goods"; the amounts are not broken down, but provided only globally [paras 9-15];
- (c) He states that "the Owner spent a significant amount on marketing expenditures in association with the advertising and brand development of Goods bearing the [Marks]" [para 16]. No specific expenditures are provided, either globally or broken down. He provides the following examples of marketing and promotion:
 - the Owner's Instagram account, which he sates has 2929 followers and to which he provides a link, but includes no printouts or examples of content [paras 17 and 19];
 - ii. copies of "marketing and promotion Flyers/Brochures, which were distributed and made available to retailers, vendors and other customers in Canada" between 2019 and 2021, which show only smoking products and accessories [para 18, Exhibit C];
- (d) He attaches representative invoices of the "Goods Sold" during the relevant period [para 22, Exhibit F], which indicate a high volume of sales of smoking products and accessories, but no sales of clothing items;
- (e) He states that the Marks are "displayed prominently on packages for the Goods sold" [para 22] and provides images of "a sample of Goods and related packaging for Goods bearing the [Marks]" [para 22, Exhibit G], consisting of:
 - i. images of packaging boxes on which the Marks are not apparent; the specific contents of the boxes are unidentified, but they bear product

- number LG-272 which seems to correlate to a smoking accessory product identified as "LG-272, 14" 9mm Ring Beaker" in the Flyers/Brochure mentioned above; and
- ii. images of products, which appear to correspond to smoking accessories, namely smoking beakers and sifter boxes shown in the Flyers/Brochure mentioned above;
- (f) He states that the Owner has authorized and licensed the Marks to be "marketed and sold in Canada by 3rd parties" and attaches "representative examples of 3rd parties which are marketing and advertising the licensed Goods on their respective Instagram accounts and websites", none of which show any items of clothing [para 23, Exhibit H];
- (g) With respect to smoking accessories specifically, he states that the Marks are "displayed prominently packages and the Goods itself for the Goods sold" and attaches a "representative sample of the Goods", consisting of various photographs of what appear to be displays of smoking products and accessories with tags [para 20, Exhibit D];
- (h) With respect to clothing specifically, he states that the Marks are "displayed prominently on packages and the Goods itself for the Goods sold" and attaches "a representative sample of the Goods", consisting of three images of what appear to be two different views and one close-up of an unidentified person wearing a cap displaying a stylized version of the Word Mark, and a t-shirt displaying the Marks [para 21, Exhibit E].

ANALYSIS AND REASONS FOR DECISION

[14] Although no particular type of evidence is required in section 45 proceedings [see *Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD)], "a *prima facie* case must be made allowing the Court to rely on an inference from proven facts rather than on speculation" [*Diamant* at para 11]. Use must be demonstrated in association with each good at issue in a section 45 proceeding [*John*

Labatt Ltd v Rainier Brewing Co et al (1984), 80 CPR (2d) 228 (FCA)]. An affidavit must contain clear statements regarding transfers of each of the registered goods within the relevant period and must provide sufficient facts or representative evidence to permit the Registrar to conclude that the trademark was used in association with each good [Performance Apparel Corp v Uvex Toko Canada Ltd, 2004 FC 448].

- [15] In the present case, the Owner submits at paragraph 40 if its written representations that "the samples of the packaging for Goods and the samples of the Goods itself attached as Exhibits "D", "E" and "G" [...] are in this case evidence of use in association with the Goods", and at paragraph 45 that "evidence of use of the [Marks] has been well and sufficiently established in association with its broader category of goods for clothing, which fall under class 25 goods".
- [16] The Requesting Party argues that the evidence contains ambiguous statements of sales which amount to bald allegations. They submit that the only evidence clearly pertaining to clothing consists of three images of a person wearing a t-shirt displaying the Marks and a cap displaying the Word Mark, and that this demonstrates neither the Owner's normal course of trade, nor any transfers of property or possession of the goods at issue during the relevant period. As such, they submit that use of the Marks in association with the various items of clothing at issue has not been shown and that they should therefore be expunged from the registrations. For the reasons that follow, I agree with the Requesting Party.
- [17] Mr. Muhammad's affidavit defines the "Goods" globally as all those specified in the registrations, most of which are smoking accessories not at issue in the present proceedings. As such, it is at best unclear to what extent, if any, general statements regarding the "Goods" pertain to clothing, much less to each of the specific items of clothing at issue. This includes the statements regarding sales [paras 9-15]. Moreover, as noted by the Requesting Party, it is particularly telling that despite being voluminous, the evidenced invoices do not include items of clothing.
- [18] The same ambiguity applies to the evidenced packaging of "Goods" [para 22]. Again, Mr. Muhammad's statements do not clearly pertain to clothing items. Neither do

the evidenced "sample of the Goods and related packaging for Goods" [Exhibit G], which appear to show smoking accessories which are not at issue, and packaging boxes, the contents of which are unidentified, but which display a product number correlating to smoking accessories and which, in any event, do not display the Marks.

- [19] With regard to the statements and documentary evidence regarding advertising and marketing [paras 17-19], they again refer only to "Goods" as globally defined but the evidenced Flyers/Brochures do not show any articles of clothing, only smoking accessories. In any event, display of a trademark in advertising is not in itself sufficient to establish use of a trademark in association with goods within the meaning of section 4(1) of the Act, unless there is evidence of notice of association at the time of transfer of property or possession [*Nissan Canada Inc v BMW Canada Inc*, 2007 FCA 255]. No such evidence was provided in the present case.
- [20] The foregoing applies equally to Mr. Muhammad's evidence alleging licensed use of the Marks [paras 23-24 and Exhibit H]. Again, the evidenced third-party website excerpts show no items of clothing, and no evidence of sales, of clothing or otherwise, was furnished. This evidence therefore does not establish use within the meaning of section 4(1) of the Act. In any event, Mr. Muhammad does not provide any statements or facts establishing control of the character or quality of the goods, as would have been required for any use by alleged licensees to enure to Owner's the benefit [*Empresa Cubana Del Tabaco v Shapiro Cohen*, 2011 FC 102, aff'd 2011 FCA 340].
- [21] In short, the vast majority of goods encompassed in the definition of "Goods" are smoking accessories which are not at issue, no breakdown per product or category of products from which any items of clothing can be identified is provided, and the documentary evidence relating to sales and promotion of "Goods" shows only smoking accessories. As such, in the present case, statements pertaining to the "Goods" as globally defined are at best ambiguous and of little value in demonstrating use of the Marks in association with any items of clothing at issue.
- [22] Only paragraph 21 of Mr. Muhammad's evidence pertains specifically to clothing. However, he does not provide any sales information specific thereto, only a statement

that "the [Marks are] displayed prominently on packages and the Goods itself for the Goods sold" and a "representative sample of the Goods, namely Clothing, bearing the [Marks] during the Relevant Period" [Exhibit E]. As mentioned above, this exhibit consists of images of an unidentified person wearing a cap displaying a stylized version of the Word Mark, and a t-shirt displaying the Marks. No further facts are provided regarding the images, or the two items of clothing shown therein. I note that contrary to the evidence pertaining to smoking accessories, these images show no product numbers or codes, hang tags, price, product displays or other details which could possibly have assisted in inferring their normal course of trade.

- [23] Moreover, as noted by the Requesting Party, photographs of goods displaying the Marks alone are insufficient to establish transfer of property or possession in the normal course of trade [Alliance Laundry Systems LLC v Whirlpool Canada LP, 2015 FCA 232; Gowling Lafleur Henderson LLP v Wertex Hosiery Incorporated, 2014 TMOB 193; 1471706 Ontario Inc v Momo Design srl, 2014 TMOB 79].
- [24] In light of the foregoing, I find the Owner's evidence insufficient to show any transfer of property or possession of clothing displaying the Marks in the normal course of trade during the relevant period. As such, the Owner has not demonstrated use of the Marks in association with the items of clothing at issue within the meaning of sections 4(1) and 45 of the Act. In the absence of special circumstances excusing non-use of the Marks, the registrations will be amended accordingly.

DISPOSITION

- [25] 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 registrations will be amended to delete all of the goods subject to these proceedings, namely "clothing, namely, shirts, t-shirts, hooded sweatshirts, caps, and outdoor winter clothing".
- [26] The statement of goods in both registrations will now read as follows:

Smoking accessories, namely smoking pipes, ashtrays, lighters, rollers, rolling paper, grinders, vaporizers, scales, percolators, tobacco pouches, humidors, matches, glass bowls and stems for pipes, cigar cutters, tobacco cases, tobacco boxes, cigarette cases,

cigarette boxes, pipe cleaners, pocket machines for self-rolling cigarettes, cigarette filters, pipe stands, pipe connectors, pipe couplings, pipe fittings, pipe joints, smoking pipe scourers, and tobacco flavorings.

Emilie Dubreuil
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2023-11-14

APPEARANCES

For the Requesting Party: Reagan Seidler

For the Registered Owner: No one appearing

AGENTS OF RECORD

For the Requesting Party: Smart & Biggar LP

For the Registered Owner: No agent appointed