



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 43

Date of Decision: 2024-03-11

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: Prism Spirits Pty Ltd.

Registered Owner: Colio Estate Wines Inc.

Registration: TMA916,561 for PRISM

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. TMA916,561 for the word mark PRISM (the Mark) registered in the name of Colio Estate Wines Inc. (the Owner).

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

Alcoholic beverages namely, wine and wine based beverages; icewine; alcoholic beverages namely, wines, flavoured wines, chocolate wines, sparkling wines, low alcohol wines, fruit wines, wine based cocktails, spirit based cocktails, cocktail mixes, vodka, brandy, gin, rum, tequila, and whisky; drinking glasses.

[3] For the reasons that follow, I conclude that the registration ought to be amended to delete all the goods except “icewine”.

THE FILE

[4] At the request of Prism Spirits Pty Ltd. (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on January 18, 2023, to the Owner.

[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 January 18, 2020, to January 18, 2023.

[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 the affidavit of Rich Fortin, the Owner’s Vice-President of Marketing, which was sworn on April 17, 2023 and to which were attached Exhibits A through D.

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

EVIDENCE SUMMARY

[10] Mr. Fortin states that the Owner is a winery in Southern Ontario that “produces a variety of alcoholic beverages, including wines” [para 2]. He indicates that the Owner “has sold PRISM branded wine available for sale” at various retail store locations. Fourteen such retail store locations are identified by number and full Canadian address,

for example “Store - 4, HAMILTON WEST, 1061 King Street West, Hamilton, ON, L8S 1L8” [para 5].

[11] He states that the Owner’s “PRISM branded wine is also available for purchase at various restaurants and hotels in Canada such as 360 at the CN Tower”. He also attaches a copy of the restaurant’s wine list, which he states is representative of the one available during relevant period. He specifies that the wine list “identifies [the Owner’s] PRISM wine [...] under the heading Ice Wine” [para 6, Exhibit A].

[12] Mr. Fortin also provides a chart which he indicates contains “sales for [the Owner’s] PRISM branded wine from 2019 to 2022” [para 7, Exhibit B]. The information pertaining to the relevant period indicates sales of over 4 500 bottles of “Prism Vidal Icewine 200ml”, representing a “sales amount” of over 60 000\$.

[13] In addition, he provides photographs of “PRISM branded wine for sale at Colio retail stores”, which he states are representative of how the Mark was displayed during the relevant period. The photographs show packaging that clearly displays the Mark with the word “ICEWINE” in smaller font directly thereunder [para 8, Exhibit C].

REASONS FOR DECISION

[14] 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. 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 [per *Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184 at para 9].

[15] The Requesting Party submits that the Owner has failed to meet this burden. It argues that the Fortin affidavit is ambiguous and does not clearly establish the Owner’s normal course of trade. For example, the Requesting Party submits that Mr. Fortin’s choice of words that the Owner’s products are “available for sale” rather than “are sold” could suggest that they are sold on consignment. I disagree.

[16] Mr. Fortin clearly states in his affidavit that the Owner is a winery that “has sold PRISM branded wine” and then details various locations where such products were available for sale, including at “Colio retail store locations” and “various restaurants and hotels in Canada”. I accept these statements at face value [per *Oyen Wiggs Green & Mutala LLP v Atari Interactive, Inc*, 2018 TMOB 79 at para 25]. No evidence points to sales on consignment; such a prospect is speculative at best. As such, I find the Owner has clearly demonstrated its normal course of trade as a winery that sells its products at retail and in hospitality venues.

[17] The Requesting Party also argues that the Fortin affidavit is ambiguous to the point of lacking credibility. In this regard, the Requesting Party notes that the sales information, both as detailed in the chart and as consolidated by Mr. Fortin, contain significant sales from outside the relevant period and that the chart does not contain specific information that would have been present, for example on invoices. It argues that, as such, the evidence should be considered bald allegations that do not demonstrate sales in the normal course of trade. Again, I disagree.

[18] It is well established that invoices are not mandatory in response to a section 45 notice [*Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD) at 486]. Evidence of transfer in the normal course of trade can be in the form of documentation like invoices or sales reports, but can also be through clear sworn statements regarding volumes of sales, dollar value of sales, or equivalent factual particulars [see, for example, *1471706 Ontario Inc v Momo Design srl*, 2014 TMOB 79]. Mr. Fortin clearly states that Exhibit B is a chart “showing sales”. This chart, which is essentially in the nature of a sales report, contains item numbers and descriptions, customer codes and names, as well as sales quantity and dollar amounts on a month-by-month basis. Moreover, the amounts in the chart are consistent with the totals attested to by Mr. Fortin. These are not bald allegations, but assertions of fact [per *Mantha & Associés/Associates v Central Transport, Inc* (1995) 64 CPR (3d) 354 (FCA)].

[19] It is true that the evidence includes sales from 2019, which are beyond the relevant period. However, the evidence provides a break down of the sales on a

monthly basis such that, with the exception of the month of January 2020, sales that occurred during the relevant period can clearly be distinguished from those that did not. As such, I am not prepared to find that the inclusion of sales information beyond the relevant period diminishes the value of the evidence of sales pertaining identifiably to it. In this regard, I note that sales within the relevant period are significant and there is no indication that they were not genuine commercial transactions [see *Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD) at 293].

[20] The evidence must, however, establish not only sales in the normal course of trade, but also that such sales occurred in Canada [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)]. As acknowledged by the Owner at the hearing, the chart does not include complete customer addresses or explicitly correlate sales to specific retail locations or venues, nor does Mr. Fortin clearly state that the chart pertains to Canadian sales. Indeed, the vast majority of the entries merely indicate “Cash Customer”. More explicit evidence in this regard would have been preferable. That being said, Mr. Fortin clearly states that the owner “has sold PRISM branded wine” at over a dozen retail locations, the complete Canadian addresses of which are provided. Moreover, the chart includes, under “Customer Name”, the CN Tower, which correlates to the restaurant 360 at the CN Tower, a Canadian location specifically identified by the Owner as a venue where its product is available. The chart further indicates under “Customer Name”, “Skip the Dishes - Store 4”, “Uber Eats - Store 4”, “Uber Eats - Store 9” and “Skip the Dishes - Store 11”. I accept the Owner’s submission at the hearing that these sales (via food delivery services) are from the locations identified as “Store - 4”, “Store - 9” and “Store - 11” in Mr. Fortin’s list of Canadian retail locations. As such, considering the evidence as a whole, I find it reasonable to infer that at least some of the evidenced sales were in Canada [see *Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64].

[21] In view of the above, I find the Owner’s evidence sufficient to show sales of its “Prism Vidal Icewine” product in Canada during the relevant period. In this regard, I am guided by the fact that no particular type of evidence must be provided in a section 45

proceeding and evidence need not be perfect [see *Lewis Thomson & Son Ltd v Rogers, Bereskin & Parr* (1988), 21 CPR (3d) 483 (FCTD)].

[22] As stated above, the evidence demonstrates that packaging of “Prism Vidal Icewine” clearly displayed the Mark during the relevant period. The only remaining issue is therefore the correlation between such goods and those specified in the registration. In this regard, the Requesting Party argued, in the alternative, that evidence related only to icewine such that only “icewine” should be maintained as specifically listed in the registration. I agree.

[23] Although the Owner argued at the hearing that “wine” could correspond to various goods in the registration in addition to icewine, it also acknowledged that the documentary evidence pertained only to icewine, and that there was no evidence that the “wine” referred to by Mr. Fortin was anything other than icewine. It is well established that use of a mark in association with a specific good cannot serve to maintain multiple goods in a registration; having distinguished particular goods in the registration, the Owner was obligated to furnish evidence with respect to each of the listed goods accordingly [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA); *Sharp Kabushiki Kaisha v 88766 Canada Inc* (1997), 72 CPR (3d) 195 (FCTD)].

[24] As such, I find that the Owner has met its prima facie burden of showing use of the Mark within the meaning of sections 4(1) and 45 of the Act only in association “icewine”. Since there is no evidence of special circumstances justifying non-use of the Mark in association with any of the other goods specified in the registration, they will be deleted.

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 registration will be amended to delete the following goods:

Alcoholic beverages namely, wine and wine based beverages; [...]; alcoholic beverages namely, wines, flavoured wines, chocolate wines, sparkling wines, low alcohol wines, fruit wines, wine based cocktails, spirit based cocktails, cocktail mixes, vodka, brandy, gin, rum, tequila, and whisky; drinking glasses.

[26] The Mark will now be registered in association with the following goods:
“icewine”.

Emilie Dubreuil
Hearing Officer
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2024-01-18

APPEARANCES

For the Requesting Party: Andrew Lew

For the Registered Owner: Jennifer McKay

AGENTS OF RECORD

For the Requesting Party: Palmer IP Inc.

For the Registered Owner: Jennifer McKay