



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 82

Date of Decision: 2024-04-30

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: A-COLD-WALL* Limited

Registered Owner: Les Placements Arden Inc. / Arden Holdings Inc.

Registration: TMA1,006,559 for A.C.W. ARDEN CONTEMPORARY WEAR &
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. TMA1,006,559 for the trademark A.C.W. ARDEN CONTEMPORARY WEAR & Design (the Mark), owned by Les Placements Arden Inc. / Arden Holdings Inc. (the Owner), and shown below:

A.C.W.
ARDENE CONTEMPORARY WEAR

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

THE RECORD

[3] At the request of A-COLD-WALL* Limited (the Requesting Party), the Registrar of Trademarks issued a notice to the Owner under section 45 of the Act on August 9, 2023. The notice required the Owner to show whether the Mark had 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 August 9, 2020, to August 9, 2023.

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

(1) Clothing, namely, t-shirts, shirts, sweatshirts, tank tops, blouses, jackets, blazers, coats, pants, denim jeans, shorts, skirts, dresses, leggings, rompers, sweaters, pullovers, woven tops, crop tops, fleece tops, halter tops, hooded tops, knit tops, sweat tops, tube tops, cardigans, dress shirts, casual wear

[5] The relevant definition of use in the present case is set out in section 4 of the Act as follows:

(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.

[6] It is well accepted that 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)]. However, 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 specified in the registration during the relevant period.

[7] In response to the Registrar's notice, the Owner furnished the affidavit of Mark Dervishian, the Chief Operating Officer and Secretary of the Owner, sworn on

November 7, 2023. Both parties submitted written representations; no oral hearing was held.

EVIDENCE

[8] Mr. Dervishian explains that the Owner has been using the Mark in association with various clothing goods since 2017, which are sold through retail stores, the Owner's online store, and through its smartphone app. As Exhibit C, he attaches invoices dated during the relevant period and showing sales to Canadian customers for products described by Mr. Dervishian and in the invoices as leggings, skirts, sweaters, tube tops, faux leather biker jackets, cardigans, denim shorts, jeans, crop tops, blazers, pants, dresses, tank tops, and halter tank tops. In each case, the acronym A.C.W. appears in the product descriptions on the invoices; Mr. Dervishian also states that the goods were "branded" with the Mark. He provides sales figures for goods associated with the Mark for each year of the relevant period; however, such figures are not broken down by product.

[9] Mr. Dervishian explains that during the relevant period, the Mark was displayed in association with the Owner's goods by way of hang tags and labels. As Exhibit D, he attaches photographs of a number of products with hang tags and labels. Due to the low resolution of some of the photographs, it is not possible to read all of the text of the hang tags and labels; however, each one appears to include the initials A.C.W., with smaller text underneath. Mr. Dervishian confirms that these photographs are representative of the Owner's goods sold during the relevant period. The goods shown include clothing items, including many of the products listed in the exhibited invoices.

[10] Mr. Dervishian also states that the Mark was displayed at the point of sale for the Owner's goods. As Exhibits E and F, respectively, he attaches photographs of signs and posters displaying the Mark which he states were displayed at the Owner's retail stores, and screen captures from the Owner's website and app showing the initials A.C.W. in association with various clothing and other products. He states that these images are representative of how the Mark was displayed in those contexts during the relevant period.

ANALYSIS

[11] The Requesting Party submits that the Owner's evidence is not sufficient to show that the Owner has used the Mark within the meaning of sections 4 and 45 of the Act during the relevant period. The specific submissions of the Requesting Party will be discussed in turn below.

Preliminary Issue: Affidavit Technicalities

[12] The Requesting Party notes as a preliminary issue that while each of the exhibits to the Dervishian affidavit are notarized, the exhibit pages do not contain the date and place where the exhibits were notarized or commissioned. As a result, the Requesting Party submits that it is not clear that the exhibits were before the affiant at the time that the affidavit was sworn, and that they may have been sworn at a different time, date and place.

[13] However, the Owner submits, and I agree, that technical deficiencies in an affidavit or a statutory declaration should not stop a party from successfully responding to a section 45 notice where there is sufficient evidence to conclude the trademark was in use [*Baume & Mercier SA v Brown* (1985), 4 CPR (3d) 96 (FCTD)]. I note that the Registrar has accepted exhibited evidence that was neither clearly identified as such nor properly endorsed where the exhibits were instead identified or explained in the body of the affidavit [see, for example, *Borden & Elliot v Raphaël Inc* (2001), 16 CPR (4th) 96 (TMOB)]. In this case, the exhibits have been clearly identified in the body of the affidavit and bear the same notary's stamp as the affidavit itself. In such circumstances, I am prepared to give full weight to the exhibited evidence, notwithstanding that the date and time of commissioning does not appear on the exhibit pages.

Use by the Owner

[14] The Requesting Party submits that there is "no statement or assertion in the Registrant's evidence that the Registered Goods are manufactured or produced by the Registrant itself (or by a third party under license) or that the Registrant is engaged in

any business other than as a retailer" (emphasis in original). In the absence of such confirmation, the Requesting Party submits that "[a]s a retailer or distributor, the Registrant would not be considered to be 'using' the Trademark in association with goods".

[15] However, the Owner submits, and I agree, that the Act does not require the owner of a trademark itself to be the manufacturer of goods for it to be considered the source of those goods, and that it is proper to presume that a registered owner is the source of the goods in question, unless the evidence indicates otherwise [*Marks & Clerk v Tritap Food Broker*, 2017 TMOB 35 at paras 18-19; *Smart & Biggar v Canadian Tire Corporation, Limited*, 2017 TMOB 153 at para 18]. In this case, in the absence of any evidence to suggest otherwise, I am satisfied that the Owner is the source of the goods depicted in its evidence.

Display of the Mark as Registered

[16] The Requesting Party submits that due to the low quality of the images of products bearing hang tags and labels, it is not possible to determine whether the Mark as registered is being displayed, or only the initials A.C.W., which the Requesting Party submits does not amount to the Mark as registered. In this respect, the Requesting Party observes that in at least one instance, the photographs show an item of clothing bearing a label that includes the initials A.C.W. but not the words "ARDEN CONTEMPORARY WEAR".

[17] Although I agree that the low quality of the photographs does not permit me to read the words in smaller print below the initials A.C.W., I am able to determine that many of the labels and most, if not all, of the hang tags, include the letters A.C.W. above text in the nature of a short word, followed by a long word, followed by another short word. In the absence of anything that would suggest otherwise, and in view of Mr. Dervishian's sworn statement that the photographs show the Mark displayed on hang tags and labels, I accept that the Mark is being displayed as registered. I note that in the instance identified by the Requesting Party where there is a photograph of shorts with a

label that does not include “ARDEN CONTEMPORARY WEAR”, there is also a hang tag attached to those shorts that appears to display the Mark as registered.

[18] Accordingly, consistent with Mr. Dervishian’s sworn statements, I accept that each of the Owner’s goods transferred during the relevant period had a hang tag and/or label attached that displayed the Mark. As these labels and/or hang tags would provide the requisite notice of association pursuant to section 4 of the Act, it is not necessary for me to consider the Requesting Party’s submissions regarding display of the Mark at the point of sale or on invoices.

Use in Association with Each of the Goods

[19] I agree with the Requesting Party that the Owner is required to show use of the Mark in association with each of the goods, and that the Owner has only provided evidence that could show use in association with some of the registered goods. While evidentiary overkill is not required in section 45 proceedings, the registered owner must still provide some evidence of use of the trademark in association with *each* of the goods specified in the registration; further, use evidenced with respect to one specific good cannot generally serve to maintain multiple goods [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA) (*Labatt*); see also *Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184]. Such evidence can be in the form of documentation like invoices, 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].

[20] In this case, I accept that the items identified by the Owner in the Exhibit C invoices listed in association with A.C.W. in the product description were transferred in the normal course of trade in Canada during the relevant period. As discussed above, I also accept that labels and/or hang tags displaying the Mark were attached to these goods at the time of transfer. Accordingly, I find that the Owner has shown use of the Mark within the meaning of sections 4 and 45 of the Act in association with the invoiced goods noted above, namely, leggings, skirts, sweaters, tube tops, faux leather biker jackets, cardigans, denim shorts, jeans, crop tops, blazers, pants, dresses, tank tops,

and halter tank tops. As the invoiced goods appear to include more than one type of tank top, pants, and skirt, I am satisfied that the Owner has also shown use of the registered goods “shirts” and “casual wear”.

[21] However, with respect to the items pictured in Exhibit D, although Mr. Dervishian “confirm[s] that the products shown in Exhibit ‘D’ are representative of the Goods made available and sold in Canada” during the relevant period, I find that in the absence of further particulars, this assertion falls short of the evidence necessary to demonstrate use within the meaning of the Act. In addition, I note that it is not sufficient that the goods were merely offered during the relevant period; some evidence of transfers in the normal course of trade in Canada is necessary [see, for example, *Molson Cos v Halter* (1976), 28 CPR (2d) 158 (FCTD); and *Gowling, Strathy & Henderson v Royal Bank* (1995), 63 CPR (3d) 322 (FCTD)]. Accordingly, I am not satisfied that the Owner has shown use of the Mark in association with goods shown in the Exhibit D photographs but not also appearing in the Exhibit C invoices.

[22] Further, although the Owner cites several cases where the Registrar has found that evidence with respect to a single product may serve to maintain multiple registered goods, I do not agree with the Owner that there is a “well-established principle in case law regarding the use of a trademark on one product as evidence of use for multiple Goods covered by the registration”. It is trite law that each case turns on its own facts; in this case, I do not find that there is evidence that would justify departing from the established principle set out by the Federal Court of Appeal in *Labatt, supra*, in this case.

[23] As there are no special circumstances which would excuse non-use of the Mark in association with the remaining goods, the registration will be amended accordingly.

DISPOSITION

[24] In view of all of the foregoing, 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 “t-shirts”, “sweatshirts”, “blouses”, “coats”,

“rompers”, “pullovers, woven tops”, “fleece tops”, “hooded tops, knit tops, sweat tops”, and “dress shirts”.

[25] The amended registration will be as follows:

(1) Clothing, namely, shirts, tank tops, jackets, blazers, pants, denim jeans, shorts, skirts, dresses, leggings, sweaters, crop tops, halter tops, tube tops, cardigans, casual wear

G.M. Melchin
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: Osler, Hoskin & Harcourt LLP

For the Registered Owner: Cabinet Juridique St. Lawrence S.E.N.C.R.L.