

Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2024 TMOB 90

Date of Decision: 2024-05-08

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: Aird & McBurney LP

Registered Owner: 101029792 Saskatchewan Ltd.

Registration: TMA729986 for Utopia Cafe

INTRODUCTION

[1] At the request of Aird & McBurney LP (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) on February 3, 2023, to 101029792 Saskatchewan Ltd. (the Owner), the registered owner of registration No. TMA729986 for the trademark Utopia Cafe (the Mark).

[2] The Mark is registered in association with the following goods and services:

Goods

Wearing apparel consisting of, T-Shirts, hats, hoodies, toques, outercoats promoting the name of the Cafe. Video/audio products namely, DVD's, Video cassettes, Compact discs, Blue Ray Disc's, promoting the Cafe. Novelty items consisting of coffee mugs, pens, art posters promoting the Cafe. Coffee/tea products namely ground coffee, whole beans, whole leaf teas

Services

Retail and wholesale sales of coffee and tea.

[3] The notice required the Owner to show whether the Mark was used in Canada in association with 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 use since that date. In this case, the relevant period for showing use is February 3, 2020 to February 3, 2023.

[4] The 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.

4(3) A trademark that is marked in Canada on goods or on the packages in which they are contained is, when the goods are exported from Canada, deemed to be used in Canada in association with those goods.

[5] In the absence of use, pursuant to section 45(3) of the Act, the registration is liable to be expunged, unless the absence of use is due to special circumstances.

[6] In response to the Registrar's notice, the Owner furnished the affidavit of Rod Kempa, sworn on February 24, 2023 in Regina, Saskatchewan (the Kempa Affidavit). Issues relating to the Owner's evidence are discussed below.

[7] Both parties submitted written representations, but only the Requesting Party was represented at an oral hearing.

PRELIMINARY ISSUE

[8] In this case, there is some confusion as to what evidence is actually of record in this proceeding, as three versions of the Kempa Affidavit have actually been filed with

the Registrar over the course of the proceeding. As such, a history of the Owner's filings (and the responses to each) is necessary.

The (First) Kempa Affidavit

[9] The first version of the Kempa Affidavit was filed with the Registrar on March 1, 2023 by David G. MacKay of the law firm MacKay & McLean. The Kempa Affidavit is titled "Affidavit of Ron Kempa", and consists of seven paragraphs of sworn statements, along with attached Exhibits A to F, each of which bear an identification stamp and the commissioner's endorsement.

[10] This March 1 filing also included an affidavit confirming service of the Kempa Affidavit on the Requesting Party, sworn by Mr. MacKay on March 1, 2023 (the Affidavit of Service).

[11] I note that paragraph 6 of the Kempa Affidavit references this Affidavit of Service as being attached ("as Exhibit G"), but this version of the affidavit does not actually include such as an exhibit.

[12] In the accompanying cover letter to the March 1 filing, Mr. MacKay states "Please confirm receipt and direct any communications relating to this proceeding to the undersigned."

[13] However, neither Mr. MacKay nor the law firm MacKay & McLean were a registered trademark agent as of March 1, 2023, nor is there any indication that either has ever been a registered trademark agent.

[14] Accordingly, on March 14, 2023, the Registrar issued a letter to the Owner (copies of which were sent to Mr. MacKay and the Requesting Party). The letter states as follows:

Receipt is acknowledged of a letter from David G. MacKay, dated March 1, 2023, filing evidence on behalf the registered owner.

The evidence cannot be processed as it has been submitted by a person who is not authorized to represent another person before the Office of the Registrar of

Trademarks. According to subsection 25(1) of the *Trademark Regulations*, a person may be represented by another person only if that other person is a trademark agent.

According to section 2 of the *College of Patent Agents and Trademark Agents Act* and section 1 of the *Trademark Regulations*, a trademark agent means an individual who holds a trademark license or a trademark agent in training license issued under section 29 of the *College of Patent Agents and Trademark Agents Act*.

Please note that this letter does not render service of any document invalid and has no effect on any outstanding deadlines. Therefore, the registered owner still has until **May 3, 2023** to file its evidence in reply to the section 45 notice.

Should the evidence be resubmitted after the prescribed deadline, a request for a retroactive extension of time under section 47(2) of the *Trademarks Act*, accompanied by the prescribed fee and including sufficient facts for the Registrar to determine that the failure of the party to meet its deadline or apply for an extension within the time limit was not reasonably avoidable, will be required.

The Second, Unsworn Affidavit

[15] In response to the Registrar's March 14 letter, Mr. Kempa filed a second version of his affidavit, received by the Registrar on April 12, 2023. No covering letter accompanied this filing, but the following handwritten note appears at the top of the first page of this version: "I am filing this on my own behalf".

[16] I also note that there is no indication in the submission itself that this version was served on or sent to the Requesting Party (however, the Requesting Party later confirmed that it did obtain or receive a copy).

[17] This version is largely identical to the Kempa Affidavit, albeit with two key differences: it is dated February 22, 2023 (two days earlier than the Kempa Affidavit) and is unsworn. While each of the six exhibits bear identification stamps, none are endorsed by the commissioner of oaths. Simply put, this appears to be an earlier, unsworn draft of the Kempa Affidavit. Although by definition not an affidavit, I will refer to this version as the Unsworn Affidavit.

[18] Indeed, in this respect, when a trademark owner attempts to file an unsworn document as its evidence in a section 45 proceeding, the Registrar typically advises that such material cannot be made of record because, pursuant to section 45 of the Act, evidence must be filed in the form of an affidavit or statutory declaration [for example, this practice is referenced in *Bereskin & Parr/SENCRL, srl v Workshop for Sustainable Living, Inc*, 2019 TMOB 47 at para 7]. I further note that, at this stage of the proceeding, Mr. Kempa still had over three weeks remaining until the Owner's original deadline to file evidence expired.

[19] Nevertheless, on May 16, 2023, the Registrar issued to the parties the notice for written representations, pursuant to section 73 of the *Trademarks Regulations* (the Regulations). This notice is a standard form letter, which simply provides in part:

In response to the Section 45 Notice regarding the above-referenced trademark, evidence has been received by the Registrar.

[20] In other words, this notice does not identify the particulars of the evidence, i.e. whether the Registrar considered the Kempa Affidavit or the Unsworn Affidavit (or both) to be of record.

[21] In response to the Registrar's notice, the Requesting Party submitted its written representations on July 14, 2023. In its written representations, the Requesting Party identifies the Unsworn Affidavit, dated February 22, 2023, as the evidence in this proceeding, stating that the Owner "has not provided any evidence other than the Kempa Unsworn Statement" [para 13]. The Requesting Party correctly identifies the deficiencies in the Unsworn Affidavit, submitting that it should not be considered as evidence in this proceeding [paras 14 to 18].

[22] Otherwise, the Requesting Party critiques the purported substance of the evidence, submitting that even if the Unsworn Affidavit is considered as evidence, the registration should be expunged for non-use of the Mark [paras 19 to 42]. These submissions are discussed further below.

The Third Version

[23] On August 22, 2023, Mr. Kempa submitted the Owner's written representations. The representations indicate that a copy was sent to the Requesting Party, although the manner and effective date of service was not specified.

[24] On the first page of these representations, Mr. Kempa speaks to the substance of the "Sworn Affidavit of Rod Kempa"; he also attempts to provide additional evidence in the form of further statements and nine pages of attachments to his representations. As addressed below, I have not considered such unsworn statements or additional attached documents as evidence in this proceeding.

[25] On the second page of these representations, Mr. Kempa addresses the Unsworn Affidavit, stating:

As to the argument of the unsworn statement irregularities I apologize for sending the unfinished version of my sworn statement. I have enclosed the proper copies.

[26] This third version of the Kempa Affidavit (the Third Version) includes the following handwritten note at the top of the first page: "I Rod Kempa am filing this evidence on my own behalf", together with Mr. Kempa's signature.

[27] Otherwise, this version is largely identical to the first Kempa Affidavit, with one obvious difference: included as Exhibit G is the aforementioned Affidavit of Service. Curiously, the exhibit identification stamp on the last page of Exhibit G appears to have been endorsed on February 23, 2023, despite the affidavit and all the other exhibits indicating that the affidavit was sworn on February 24, 2023. This is especially curious given that the Affidavit of Service that constitutes Exhibit G was itself created on March 1, 2023.

[28] Again, I note that an Exhibit G is anticipated and referenced in the first Kempa Affidavit, but was not actually attached to that affidavit. Furthermore, whereas paragraph 6 of the Kempa Affidavit identifies Exhibit G as "the post office receipt", in the Third Version this has been amended to "a copy of the post office receipt".

[29] In any event, in response to the filing of the Owner's written representations, on September 8, 2023, the Registrar requested that the Owner inform the Registrar as to the manner and the effective date of service of the written representations on the Requesting Party, pursuant to section 72 of the Regulations. Mr. Kempa provided proof of such service on September 22, 2023.

[30] In the meantime, on September 21, 2023, the Requesting Party submitted its request for an oral hearing. In its letter, the Requesting Party also took the opportunity to object to the Owner's "improper submissions" and the inadmissibility of the attachments to the Owner's representations. Again, such representations will be addressed below.

[31] The Requesting Party also noted that the Third Version is not identical to the Unsworn Affidavit, in that, *inter alia*, it includes an additional exhibit being the Affidavit of Service. As such, the Requesting Party questions the "integrity" of this version, questioning whether it was altered from its commissioned form and casting doubt on whether the Owner has met its "obligation to ensure that it is filing proper sworn evidence".

[32] On October 6, 2023, the Registrar acknowledged the Requesting Party's request for an oral hearing. The Registrar also acknowledged the Owner's proof of service of its written representations. With respect to the alleged admissibility issues regarding the Owner's written representations, the Registrar informed the parties that "determinations regarding admissibility are made only at the decision stage".

The Kempa Affidavit Is the Evidence of Record

[33] In this case, as an unsworn document, it is clear that the Unsworn Affidavit cannot be considered the evidence of record. As such, and as the Registrar indicated evidence to have been received when issuing the May 16, 2023 notice, I consider the first Kemper Affidavit to have been made of record. Although a more explicit explanation would likely have benefitted the parties, I accept that, upon receipt of the Unsworn Affidavit with the handwritten note, the Registrar essentially reconsidered the properly sworn and served Kempa Affidavit as if it had been filed directly by Mr. Kempa himself.

[34] Indeed, in my view, the Kemper Affidavit could have and (with the added benefit of hindsight) likely should have been made of record when it was received. I do not consider the statement in the Registrar's March 14 letter, that "The evidence cannot be processed..." to mean that the Registrar had no authority or discretion to make the Kempa Affidavit of record at that time. The Registrar is the master of its own procedures and nothing in section 25 of the Regulations explicitly prohibits the Registrar from making any filed evidence or other document of record. I also note that the topic is not specifically addressed in the practice notice, *Practice in section 45 proceedings*.

[35] In any event, I am mindful of the guidance from the jurisprudence, including that section 45 proceedings are to be simple, summary and expeditious in nature [*Philip Morris Inc v Imperial Tobacco Ltd* (1987), 13 CPR (3d) 289 (FCTD)]; that the Registrar does not strictly adhere to the *Federal Court Rules*, in particular with respect to the admissibility of exhibits [see, for example, *Maximilian Fur Co Inc v Maximilian for Men's Apparel Ltd* (1983), 82 CPR (2d) 146 (TMOB); *Tension 10 Inc v Tension Clothing Inc* (2004), 45 CPR (4th) 136 (TMOB); and *Gowling Lafleur Henderson LLP v Croxall*, 2013 TMOB 1]; and that technical deficiencies in an affidavit should not be a bar to a successful response to a section 45 notice [*Baume & Mercier SA v Brown* (1985), 4 CPR (3d) 96 (FCTD)].

[36] With such principles in mind, I consider it fair to posit that the Kempa Affidavit could have simply been made of record in March 2023, and the issue of representation dealt with by way of separate letter, i.e., informing the Owner and Mr. MacKay that, in view of section 25 of the Regulations, communications would *not* be directed to Mr. MacKay as requested. In my view, this would have been an expeditious and efficient resolution.

[37] Furthermore, I do not consider the Registrar's March 14 letter to have required the Owner to refile its evidence. Rather, I find that letter merely put the status of the Kempa Affidavit into a form of limbo which was considered cured when the Owner confirmed in some way that the evidence should be considered as filed by the Owner directly. Noting that the Registrar could have exercised his discretion at any time to

make the Kempa Affidavit of record, I find that the Registrar did so upon receipt of the Unsworn Affidavit.

[38] Even if I am incorrect on whether the first Kempa Affidavit can or should be made of record, then I would nevertheless accept that the Third Version can be made of record in this case, as it was submitted to cure the deficiencies of the Unsworn Affidavit. While the Requesting Party correctly points out the discrepancies between it and the Unsworn Affidavit, such discrepancies are not substantive. Although somewhat odd, the Affidavit of Service was referenced in each version of the Kemper Affidavit and, ultimately, it is substantively irrelevant anyway.

[39] What is clear is that Mr. Kempa made sworn statements on February 24, 2023 in the form of an affidavit that was properly served on the Requesting Party and filed with the Registrar. While the Registrar initially did not “process” that filing, it would appear to have been processed with the issuance of the notice for written representations. Indeed, for purposes of this decision, I consider the Kempa Affidavit to have been made of record. In other words, if nothing else, I take the Owner’s April 2023 correspondence as confirmation that the Kempa Affidavit should be made of record. To find otherwise, i.e., to find that only the Unsworn Affidavit is “of record” in this proceeding, would be highly prejudicial to the Owner, and contrary to common sense and the aforementioned principles and guidance of the jurisprudence.

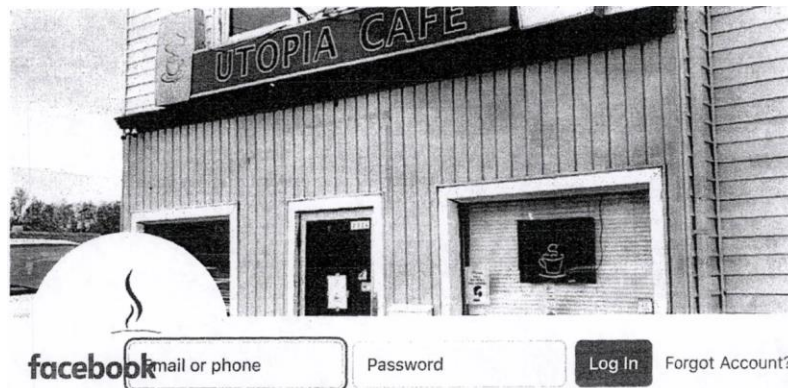
[40] As for any prejudice to the Requesting Party, I note that it is entitled to make representations, per section 45(2) of the Act. It has done so, and such representations address both the technicalities and substance of the Kempa Affidavit, in its three forms. In this respect, the Requesting Party had the opportunity to make further submissions at the oral hearing. As such, any prejudice to the Requesting Party (for the lack of clarity regarding which version of the Kempa Affidavit should have been considered of record in this proceeding) has already been suffered, but also mitigated.

[41] In view of the foregoing, I will now address the substance of the Kempa Affidavit.

THE OWNER'S EVIDENCE

[42] The Kempa Affidavit is brief, and evidences the following:

- Mr. Kempa is the sole director and owner of the Owner [para 1].
- The Owner is a duly registered company in Saskatchewan [paras 1 and 2, Exhibit B].
- As of May 21, 2021, the Owner had a business name registration for “Utopia Café) in Saskatchewan [para 3, Exhibit C].
- The Owner “used the trademark in relation to the signage, advertising and operation of the Utopia Café located [in] Regina, Saskatchewan and was last used in June of 2022” [para 4]. In support, the following exhibits are attached:
 - Exhibit D: “Facebook advertisement for the restaurant in June 2022”, which includes a photograph of the restaurant’s exterior, including UTOPIA CAFE signage (shown below), as well as photos of what appear to be the interior of the café and some of its food and beverage offerings.



- Exhibit E: “Vendor License – Provincial Sales Tax” issued to the Owner from the Government of Saskatchewan, dated July 6, 2021.
- Exhibit F: “Saskatchewan Health Authority” inspection report for Utopia Café, dated October 8, 2021.

[43] Mr. Kempa explains that the Utopia Café “has since closed partially due to the persistent and continuing use in signage and advertising of the trademark by a competing restaurant in Regina, Saskatchewan operating as Utopia Café or Utopia ... despite my repeated request to the owner and operator to cease and desist the use” [para 5].

[44] As noted above, paragraph 6 of the affidavit confirms service by registered mail to the Requesting Party, noting that “Exhibit ‘G’ is the post office receipt”, but is not actually attached.

ANALYSIS

[45] In its representations, the Requesting Party submits that there is no evidence of use of the Mark in association with any of the registered goods, during the relevant period or otherwise [paras 19 and 20]. Indeed, at a minimum, I agree that there is no evidence of transfers of any of the registered goods during the relevant period. In this respect, as stated above, I have not considered the unsworn statements or documents included in the Owner’s written representations as evidence.

[46] With respect to the services, I also agree with the Requesting Party that there is no evidence of use of the Mark in association with “wholesale” sales of coffee and tea.

[47] This leaves only “Retail ... sales of coffee and tea” at issue. The Requesting Party points out that nowhere in the evidence does Mr. Kempa clearly make even a bare assertion that the Mark was used in association with any of the specific registered goods and services [para 23]. However, as noted above, paragraph 4 of the Kempa Affidavit includes the sworn statement that the Owner “used the trademark in relation to the signage, advertising and operation of the Utopia Café”. In its written representations, notwithstanding its attempt to provide additional facts, the Owner submits that “There was no need to explain what the operation of the café entailed as the bright neon signs of Tea and Coffee cups in the windows displayed what was offered for sale” [page 1].

[48] Although a registered owner is “playing with fire” when it allows exhibits to speak for themselves, it is the affidavit as a whole that must be considered and reasonable

inferences can be made from the evidence provided [see *Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64, 48 CPR (4th) 223 (FCA)]. Indeed, the evidence must be read with a mind willing to understand what is being said [*Portage World-Wide, Inc v Croton Watch Co, Inc*, 2017 TMOB 96 at para 21; *Moffat & Co. v 2008474 Ontario Inc*, 2022 TMOB 167 at para 23].

[49] In my view, considering the evidence as a whole, it is reasonable to infer that, at a minimum, the Owner was offering and prepared to sell coffee and tea in association with the Mark through the operation of its café, at least until June 2022 [for a similar conclusion, see *Riches, McKenzie & Herbert LLP v Park Pontiac Buick GMC Ltd*, 2005 CarswellNat 4408 (TMOB) at para 9; *Feltnate/Delibato/Heagle LLP v In Publications Inc*, 2017 TMOB 70 at paras 19 and 20; and *Joia Calcado, SA v Vella Shoes Canada Ltd*, 2020 TMOB 10 at para 31].

[50] Although the evidence in this case is weaker than in those cases, such a conclusion is consistent with the exhibits of record, including the Owner's business registration (Exhibit C), Facebook advertisement and photographs (Exhibit D), vendor license (Exhibit E), and the Saskatchewan Health Authority inspection report (Exhibit F), all of which indicate at least some operation of the Owner's café business prior to June 2022.

[51] In view of all of the foregoing, I am satisfied that the Owner has demonstrated use of the Mark within the meaning of sections 4 and 45 of the Act, but only with respect to "Retail ... sales of coffee and tea".

[52] As special circumstances were not specifically argued by the Owner in this case, I will simply note that the Owner's ceasing of operations in June 2022 appears to have been a voluntary decision. Otherwise, issues regarding the alleged trademark infringement by a competitor are beyond the scope of this proceeding.

DISPOSITION

[53] 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 all of the goods and "...and wholesale" from the statement of services. The amended statement will be as follows:

Retail sales of coffee and tea.

Andrew Bene
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2024-02-26

APPEARANCES

For the Requesting Party: Lawrence Veregin

For the Registered Owner: No one appearing

AGENTS OF RECORD

For the Requesting Party: Aird & Berlis LLP

For the Registered Owner: No agent appointed