



Canadian Intellectual Property Office

THE REGISTRAR OF TRADEMARKS

Citation: 2025 TMOB 7

Date of Decision: 2025-01-20

IN THE MATTER OF A SECTION 45 PROCEEDING

Requesting Party: Unifloor Trading Inc.

Registered Owner: Quickstyle Industries Inc.

Registration: TMA1,052,331 for UNIFLOOR AQUA

INTRODUCTION

[1] This decision involves a summary expungement proceeding brought under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) with respect to registration No. TMA1,052,331 for the trademark UNIFLOOR AQUA (the Mark). The Mark is registered in association with “vinyl flooring” (the Goods).

[2] For the following reasons, I conclude the registration ought to be maintained.

PROCEEDING

[3] At the request of Unifloor Trading Inc. (the Requesting Party), the Registrar of Trademarks issued a notice under section 45 of the Act on November 1, 2023, to Quickstyle Industries Inc. (the Owner), who is the registered owner of the Mark.

[4] The notice required the Owner to show whether the Mark was used in Canada in association with Goods at any time within the three-year period preceding the notice's date. If not, the Owner had to provide the last date of use and the reason for the absence of use since that date.

[5] In this case, the relevant period for showing use is November 1, 2020, to November 1, 2023 (the Relevant Period).

[6] The pertinent definitions of use in association with goods is set out in section 4 of the Act:

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.

[7] At the same time, the Registrar issued a notice for a second registration held by the Owner, namely registration No. TMA481,945 for the trademark UNIFLOOR. This trademark is the subject of a separately reported decision.

[8] The purpose of section 45 is to establish a summary procedure for clearing the register of marks that have fallen into disuse. This is often described as removing "deadwood" from the register [*Black & Decker Corp v Method Law Professional Corp*, 2016 FC 1109 at para 12]. Evidentiary overkill is not necessary [*Miller Thomson LLP v Hilton Worldwide Holding LLP*, 2020 FCA 134 at paras 9-10]. The registration of a trademark is liable to be expunged or amended if the owner fails to show use of the trademark unless there are special circumstances that excuse the absence of use.

[9] In response to the Registrar's notice, the Owner furnished the statutory declaration of Stephen Courey, President and Secretary of the Owner. Both parties filed written representations and attended an oral hearing.

SUMMARY OF EVIDENCE

[10] Mr. Courey is a director and officer who has been actively involved with the Owner since its incorporation in 1992. He attests that the Owner's principal business is the importation of flooring merchandise into Canada and subsequent distribution under various brand names to retailers for sale in Canada.

[11] Regarding the nature of the Goods and the timing of alleged use, Mr. Courey states that the use of the Mark in Canada in association with the Goods commenced since at least as early as January 31, 2013.

[12] Mr. Courey also states that the Owner sold and distributed the Goods to retailers in Canada during the Relevant Period. Additionally, he explains that the Owner provided retailers with what he terms "promotional" materials such as racks and waterfall displays, hand board chain sets and information brochures displaying the trademark in association with vinyl flooring. He goes on to describe that those retailers displayed these materials, making them available to consumers. Mr. Courey then explains that during the Relevant Period, Canadian consumers "purchased UNIFLOOR brand vinyl flooring from various retailers...".

[13] Mr. Courey states that the Owner used and continues to use the Mark in Canada in the normal course of trade. He concludes by stating that he had personal knowledge of the facts set out in his affidavit.

[14] The exhibits provided in support of Mr. Courey's statements include depictions of:

- Information sheets
- Waterfall display racks
- Reverse side views of sample panels from waterfall displays
- Reverse side views of chain set panels
- Invoices corresponding to sales to retailers during the Relevant Period

[15] The materials generally show UNIFLOOR AQUA appearing in the same font and size next to "chateau", shown in a different style and colour with a crown design atop the C in chateau. For example, on the Owner's waterfall display boards the Mark appears as:



"UNIFLOOR AQUA CHATEAU" also appears on invoices.

PRELIMINARY MATTER – INVOICES

Invoices Generally

[16] The Owner relies on several invoices to support its claim of having sold vinyl flooring associated with the Mark during the Relevant Period. Mr. Courey states at paragraph 15 of his affidavit:

...the Registered Owner sold and distributed UNIFLOOR AQUA brand vinyl flooring referred to in Exhibit R-1 en liasse, Exhibit R-2 en liasse, Exhibit R-3 and Exhibit R-4, to retailers for retail sale in various parts of Canada, the whole as more fully appears in copies of certain of the Registered Owner's invoices, (with pricing information redacted and removed), which invoices are attached to this my Statutory Declaration and which are now filed as the

Registered Owner's Exhibit R-5 en liasse, such invoices being a sampling of UNIFLOOR brand vinyl flooring sold, shipped and distributed for retail sale in various parts of Canada.

[17] While attesting generally to the removal and redaction of the pricing information, Mr. Courey does not explain modifications to the documents, which appear to minimally include entering "\$0.00" in various places to replace sales values. The changes appear arbitrary since for some invoices GST, PST or HST values have been removed, while these values are retained for others. The seeming manipulation of the invoices introduces uncertainty that complicates the understanding of the documents.

[18] When I enquired at the hearing about what the Owner refers to as "removal and redaction," the Owner's agent suggested that the "redaction method" involved printing invoices showing \$0.00. However, the facts surrounding the creation of the documents are, of course, not in evidence. Furthermore, the explanation provided does not facilitate understanding of the seemingly arbitrary nature of the modifications.

[19] Nonetheless, I note that for some invoices, GST and PST amounts have been retained. These values are of a magnitude that suggests sales in the normal course of trade rather than, for example, the provision of a free or minimal-cost sample. The June 8, 2023, invoice to Rona Inc shows GST and PST values suggesting goods with an extrapolated value of approximately \$1000. Similarly, the invoice to P.S. Atlantic Ltd reflects a 15% HST value of almost \$100, again suggesting a sale in the ordinary course of trade rather than for example the mere provision of samples.

[20] While I do so cautiously, given the ambiguity introduced by unexplained revisions to the invoice documents, I am permitted to make reasonable inferences from the Owner's evidence [*BCF SENCRL v Spirits International BV*, 2012 FCA 131]. Mr. Corey's statements, considered in

conjunction with the documentary evidence comprising the invoices with significant values of GST, HST or PST, support the Owner's claim to sales in the normal course of trade during the Relevant Period.

[21] However, I cannot make the same inference regarding the invoices showing sales of zero dollars with no or no significant GST, HST or PST values. Similarly, I must disregard the invoices to US purchasers. Mr. Courey refers to sales "in Canada," and provides no explanation regarding sales to US purchasers. I therefore cannot make any reasonable inferences regarding this component of the evidence either.

The Mark Appearing on Invoices

[22] While invoices have in the past been accepted as proof of use of a trademark in association with the goods referenced in the invoice, in order for this to be so, it is necessary for the goods and trademark to be linked at the time of transfer of those goods to the purchaser [*Riches, McKenzie & Herbert v. Pepper King Ltd* (2000), 8 CPR (4th) 471 (FCTD) at para 15 (*Pepper King*)].

[23] The Requesting Party has argued that the invoices are not proof of use of the Mark since the evidence does not show that they accompanied the Goods at the time of transfer to consumers. The Owner responded at the hearing that when an invoice indicates "bill to" and "ship to," it can be inferred that it accompanied the Goods. However, no jurisprudence was provided to support this statement.

[24] I note that in *Pepper King*, the Registrar initially held that unless there was clear evidence that the invoices do not accompany the goods, it is reasonable to assume this is the case. However, on appeal, the Court held that the Registrar had erred in shifting the burden to the requesting party when, in fact, the entire burden remains with the owner. It was found that

the Registrar was not entitled to assume the goods were accompanied by the invoices at the time of their transfer.

[25] In the present case, while the invoices show the Mark as part of a line item, nothing in evidence allows me to infer that these invoices accompanied the Goods when they were transferred to purchasers. Additionally, I note the invoices show separate shipping and billing addresses, suggesting they might have been sent separately. Therefore, I cannot conclude that the appearance of the Mark on invoices provides the requisite notice of association between the Mark and these Goods at the time of their transfer.

ANALYSIS AND REASONS FOR DECISION

[26] The Owner's burden is not a stringent one. Rather, it need only establish a *prima facie* case of use within the meaning of section 4 of the Act [*Brouillette Kosie Prince v Orange Cove-Sanger Citrus Association*, 2007 FC 1229 at para 7]. That said, bare assertions of use are not sufficient [*Plough (Canada) Ltd v Aerosol Fillers Inc*, 1980 CanLII 2739, 53 CPR (2d) 62 (FCA)]. Adequate facts must still be provided to permit the Registrar to conclude that the Mark was used during the relevant period [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[27] The evidence allegedly showing use of the Mark comprises various in-store displays in the form of waterfall display racks, hand boards, chain sets and information brochures, which Mr. Courey explains are available to customers at retail outlets supplied by the Owner.

[28] The Requesting Party relevant submissions in respect of non-use of the Mark are essentially twofold. First, it submits that the Owner has not used the Mark pursuant to section 4(1) of the Act in that the materials in evidence do not show that, at the time of transfer, the Mark and the Goods were sufficiently associated that notice of the association was given to purchasers.

Second, it argues that the evidence does not show use of the Mark as registered.

In-Store Displays

Was the Mark Used as Registered?

[29] When a trademark as utilized deviates from the trademark as registered, the question to be asked is whether the manner of use was such that the trademark did not lose its identity, remaining recognizable despite the differences between the form in which it was registered and the form in which it was used [*Canada (Registrar of Trade-marks) v Compagnie International pour l'informatique CII Honeywell Bull* (1985), 1985 CanLII 5537 (FCA), 4 CPR (3d) 523 (FCA) (*Honeywell Bull*)]. In deciding this issue, one must consider whether the differences between the marks are “so unimportant that an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin” [*Honeywell Bull* supra].

[30] Using a trademark in combination with additional words or features constitutes use of the registered mark if the public, as a matter of first impression, would perceive the trademark *per se* as being used. This is a question of fact which is dependent on whether the trademark stands out from the additional material, for example by the use of different lettering or sizing, or whether the additional material would be perceived as clearly descriptive matter or as a separate trade-mark or trade name [*Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB) (*Nightingale*); *PDM Parthian Distributer & Marketing Adviser GmbH v. Brewdog PLC* 2024 FC891 at paras 36 to 38].

[31] The Requesting Party submits that the evidence shows the use of UNIFLOOR AQUA CHATEAU rather than the registered Mark UNIFLOOR

AQUA. It argues that UNIFLOOR AQUA and "chateau" appear the same size and lettering. It argues that "chateau" cannot be differentiated from UNIFLOOR AQUA on the basis it is descriptive, relying on the principles in *Nightengale, supra*.

[32] While not addressing the Requesting Party's submissions in its written representations, at the hearing the Owner argued that "chateau" appears in an entirely different colour and script and looks "completely different".

[33] I agree with the Owner and find the manner of use of the Mark to be such that UNIFLOOR AQUA is differentiated from "chateau" and other surrounding materials. While I do not agree with the Owner's characterization that the Mark looks completely different from "chateau", the existing differences have the effect of visually separating the terms. The fonts are similar, but to my mind, not identical in that UNIFLOOR AQUA is shown in outline form in a lighter colour. In contrast the solid black "chateau" with an extended line on the "H" differs visually from the style relied upon for UNIFLOOR AQUA. In addition, the presence of the lighter colour crown separates the components. The effect is such that the Mark stands out as separate from surrounding matter, including "chateau". In making this finding I am mindful that nothing precludes an owner from using more than one trademark at the same time in association with the same goods or services [*AW Allen Ltd v Warner-Lambert Canada Inc* (1985), 6 CPR (3d) 270 (FCTD)].

Was the Mark Used in Accordance with Section 4 of the Act?

[34] The Requesting Party submits that there is no evidence to suggest that the Mark was applied to the Goods or their packaging at the time of their transfer in the normal course of trade pursuant to section 4(1) of the Act. It argues the display materials showing the Mark are promotional in nature. The Requesting Party submits that for there to be sufficient association, the

materials would have to be given to consumers at the time of transfer of property in or possession of the Goods. In this regard, it relies on *BMW Canada Inc v Nissan Canada Inc* 2007 FCA 255 (*BMW*). The Owner responded at the hearing by submitting that evidentiary overkill was unnecessary, relying on *Union Electric Supply Co Ltd v Registrar of Trade-Marks* (1982), 63 C.P.R. (2d) 56 for support.

[35] There is no evidence that the Mark appeared on the Goods themselves or their packaging. This is true of the initial transfer of the Goods from the Owner to its retailers, as well as the secondary transfer from the retailers to consumers. The issue in this case is, therefore, whether the evidence shows that the display materials sufficiently associated the Mark with the Goods at the time of transfer of the property in or possession of those Goods.

[36] The display of a trademark on signage in close proximity to the goods at the time of transfer of property or possession may, under some circumstances, satisfy the requirements of section 4(1) of the Act. While promotional in nature, the display materials in evidence are obviously also informational; for example, they reference available colour and size selections as well as provide information about texture and other characteristics of the flooring product.

[37] While it would have been beneficial if Mr. Courey had provided a more comprehensive explanation of how the Goods were associated with the display materials when the property in or possession of the Goods was transferred to consumers, I will again make reasonable inferences about the Owner's evidence. In doing so I find that the nature of the Owner's waterfall displays, hand boards and chain sets contemplates an interactive experience at the time of purchase, minimally to select amongst the various available colours and plank sizes.

[38] Noting that each case is unique and must be considered on its own merits, I find the Owner's reliance on waterfall displays and hand board chain sets suggests more engagement with the materials than would be the case in respect of many other types of promotional materials, such as pamphlets merely advertising the availability of goods. The situation is, therefore, less like that of *BMW* and more analogous to the appearance of a trademark on coupons used in association with "shelf-talkers" as was the case *General Mills Canada Ltd v Procter & Gamble Inc (1985)*, 6 C.P.R. (3d) 551 (TMOB) or on display cases containing the product that required unlocking for consumer purchase as was the situation in *Canadian Council of Professional Engineers v Randolph Engineering Inc (2001)*, 19 CPR (4th) 259 at 262 (TMOB). The facts in these latter two decisions suggest a degree of customer involvement with display materials that is similar the present situation. As such, I find that the display of the Mark on these materials made available to customers to assist in product selection satisfies the requirements of section 4(1) of the Act.

DISPOSITION

[39] 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 maintained.

Coleen Morrison
Member
Trademarks Opposition Board
Canadian Intellectual Property Office

Appearances and Agents of Record

HEARING DATE: 2024-10-28

APPEARANCES

For the Requesting Party: Lawrence Chan

For the Registered Owner: Mark Hanna

AGENTS OF RECORD

For the Requesting Party: Oyen, Wiggs & Mutala LLP

For the Registered Owner: Mark Hanna