



# Canadian Intellectual Property Office

## **THE REGISTRAR OF TRADEMARKS**

**Citation:** 2025 TMOB 173

**Date of decision:** 2025-08-28

**[UNREVISED ENGLISH CERTIFIED TRANSLATION]**

## **IN THE MATTER OF A SECTION 45 PROCEEDING**

**Requesting Party:** Borden Ladner Gervais LLP

**Registered Owner:** Sollio Cooperative Group

**Registrations:** TMA697132 for UNIMAT & Design

TMA699086 for UNIMAT & Design

## **INTRODUCTION**

[1] On July 8, 2024, at the request of Borden Ladner Gervais LLP (the Requesting Party), the Registrar issued a notice under section 45 of the *Trademarks Act*, RSC 1985, c T-13 (the Act) to Sollio Cooperative Group (the Owner), the registered owner of registration No. TMA699086 for a first UNIMAT & Design trademark (the Mark), and registration No. TMA697132 for a second UNIMAT & Design trademark, this one with a colour claim (the Square Mark). The two trademarks (collectively, the Marks), along with the colour claim of the second, are reproduced below.



The Mark (LMC699086)



The Square Mark (LMC697132)

*Most of the design is blue. The border and the three (3) slashes are grey. The word UNIMAT is white and the line under the word UNIMAT is red.*

[2] The Mark consists of the word "Unimat" underscored by a line whose left end extends upwards and over the letters "U" and "n" to form the triangular outline of a roof, the triangle being followed by a series of three thick parallel inverted slashes, suggesting the striped surface of a three-dimensional roof above the rest of the word. The whole suggests the idea of the word "Unimat" in the outline of a building. The Mark is registered in association with the following services in Class 35 of the Nice Classification (CI):

[TRANSLATION]

CI 35 (1) Operation of sales centres related to online and Internet retail sale services and to the installation of hardware products, building materials, decoration products, farm products and gardening products related to residential, commercial and farm maintenance, renovation and construction.

[3] The Square Mark consists of a blue square with a thin grey border, on which the word "Unimat" appears in white, finely underlined in red, with a similar series of three thick inverted grey slashes above the end of the word. The colours indicated above are claimed as being characteristic of the trademark. The Square Mark is registered in association with the following services in Class 35 of the Nice Classification:

[TRANSLATION]

CI 35 (1) Operation of sales centres for the retail sale of hardware products, building materials, decor products, farm and gardening products

related to residential, commercial and agricultural maintenance, renovation and construction.

[4] Each notice required the Owner to provide an affidavit or sworn statement showing that the trademark in question was used in association with each of the registered services in Canada at any time between July 8, 2021, and July 8, 2024 (the relevant period), and, if not, indicating the date when the trademark was last in use and the reason for the absence of such use since that date.

[5] In the absence of use, pursuant to section 45(3) of the Act, a trademark registration is liable to be expunged or amended, unless there are special circumstances that excuse the absence of use.

[6] The relevant definition of “use” in relation to services is set out in section 4(2) of the Act as follows:

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] The display of a trademark in advertising services is sufficient to meet the requirements of section 4(2) when the owner offers and is ready to perform those services in Canada [*Wenward (Canada) Ltd. v Dynaturf Co* (1976), 28 CPR (2d) 20 (TMOB)].

[8] It is well established that bare allegations of use are insufficient to establish use in a section 45 proceeding [*Plough (Canada) Ltd. v Aerosol Fillers Inc* (1980), 53 CPR (2d) 62 (FCA)]. It is true that the evidentiary threshold is quite low [*Woods Canada Ltd v Lang Michener* (1996), 71 CPR (3d) 477 (FCTD)]. Evidentiary overkill is not required [*Union Electric Supply Co v Canada (Registrar of Trade Marks)* (1982), 63 CPR (2d) 56 (FCTD)]. Nevertheless, sufficient facts must still be provided to permit the Registrar to arrive at a conclusion that the trademark was used during the relevant

period in association with each of the goods and services covered by the registration [*John Labatt Ltd v Rainier Brewing Co* (1984), 80 CPR (2d) 228 (FCA)].

[9] In response to each notice from the Registrar, the Owner submitted the following evidence:

- a statutory declaration sworn on October 2, 2024, by Denis Laporte, Senior Director, Merchant Services, for a subsidiary of the Owner, Groupe BMR Inc. (BMR);
- a statutory declaration sworn on November 26, 2024, by Pascal Houle, Chief Executive Officer of the Owner and former Chief Executive Officer of BMR;
- a statutory declaration sworn on November 15, 2024, by Josée Létourneau, General and Legal Affairs Secretary of the Owner;
- a statutory declaration signed on December 3, 2024, by Pierre-Rémi Fourès, Director of Transportation for BMR.

[10] For each declarant, the statutory declarations submitted in the two files are substantially the same.

[11] Neither party submitted written representations, and no hearing was held.

### **THE EVIDENCE**

[12] Mr. Laporte's statutory declarations aim to demonstrate how the Marks were used by the Owner's licensees during the relevant period in association with the registered services. The statutory declarations by Ms. Létourneau, Mr. Houle, and Mr. Fourès provide evidence of the contracts that allegedly

granted those licensees the right to use the Marks during the relevant period.

[13] I will examine the evidence provided by each of the declarants in turn.

***Denis Laporte***

[14] Mr. Laporte, the Senior Director, Merchant Services, for BMR, states that he made his statutory declarations to demonstrate that the Owner used the Marks in the normal course of its business, through its licensees. He states that the Owner thus used and displayed the Marks during the relevant period in the performance and advertising of the registered services.

[15] To this end, Mr. Laporte filed the following documents:

- As Exhibit DL-1 of his declaration, a photograph of the business card of a licensed cooperative affiliated with the Owner and with BMR – Squatec Coop, doing business as “La Coop Squatec” (Squatec Coop) – advertising the services [TRANSLATION] “Food Market” and “Hardware & Building Materials”. The physical address of Squatec Coop is stated on it, along with an email address, but no Internet address. Mr. Laporte confirms that that business card is identical to those given by representatives and employees of Squatec Coop to its customers and suppliers in Canada during the relevant period. The card features a version of the Mark that includes the description [TRANSLATION] “Renovation Centre” at the bottom of the design (the CDR Variant), which Mr. Laporte also referred to as a modernized version of the Square Mark. As printed on the business card, the header from which is reproduced below, this version of the Mark features the word “Unimat” in a bluish colour, the design of the “building” in red and the phrase [TRANSLATION] “Renovation Centre” in black:



- As ExhibitDL-2, photographs of two paper purchase order forms on which the CDR Variant is displayed in black and white. Mr. Laporte confirms that these purchase orders are identical to those used during the relevant period by representatives and employees of another licensed cooperative affiliated with the Owner and with BMR, the Société coopérative agricole de Gracefield (Gracefield Coop) for its customers in Canada. The first form lists the services [TRANSLATION] “Hardware,” “Materials” and “Garden Centre”. The physical address of the Gracefield Coop is printed on the second form, but neither form states an Internet address.
- As ExhibitDL-3, a photograph of a wall clock on which the Mark is displayed in black and red (the verbal part being in black and the design in red). Mr. Laporte confirms that this clock is the one that was actually installed on the wall of the main establishment of another licensed cooperative affiliated with the Owner and with BMR – the Magasin Co-op St-Victor (St-Victor Coop) – during the relevant period.
- As Exhibit DL-4, three images showing tractor-trailers on which the CDR Variant is displayed in black and red. I note the term “BMR520” on one of the trailers and “BMR500” on another. I also note the website address *www.unimat.ca* and an “ipoints” logo (the rest of the text is illegible in this image) displayed on one of the trailers. An image of a child wearing a hard hat in front of a treehouse is also displayed.

- As Exhibit DL-5, copies of a series of three documents that Mr. Laporte states demonstrate the use of a tractor-trailer displaying the Mark by a licensee of the Owner – Transport Robert (1973) Ltd. (Transport Robert) – to deliver goods shipped by BMR to a retailer affiliated with the Owner and with BMR, La Coop Purdel (Purdel Coop). The series of documents includes (i) a bill of lading for the shipment of a pallet of hardware to Purdel Coop by BMR on July 12, 2022, using trailer “BMR538”; (ii) a delivery report for trailer “BMR520” to Purdel Coop on July 13, 2022; and (iii) an invoice dated July 14, 2022, from Transport Robert to BMR for a delivery of goods in unit “BMR520” to Purdel Coop on July 13, 2022. Mr. Laporte states that the delivery was carried out according to the terms and conditions of a framework service agreement for transportation between Transport Robert and BMR, which reportedly took effect on November 1, 2023.

***Pascal Houle***

[16] Mr. Houle, the Chief Executive Officer of the Owner, states that he made his statutory declarations to demonstrate the contractual links that existed during the relevant period between the Owner and each of BMR, Squatec Coop and Gracefield Coop, in their capacity as licensees of the Owner. In particular, he claims that BMR, Squatec Coop and Gracefield Coop were all duly authorized to use the Marks in Canada during the relevant period in the normal course of their business, in association with the registered services.

[17] Mr. Houle filed the following exhibits in support:

- As Exhibit PH-1 of his declaration, a copy of Quebec legislation amending the Owner’s charter, namely the *Act to amend the Act respecting the charter of the Coopérative fédérée de Québec* (Act to amend the charter), which came into force on December 11, 2019.

The Act to amend the charter shows that the Owner's business name was "La Coop Fédérée" from April 19, 2005, to December 11, 2019, and "Coopérative fédérée de Québec" prior to that.

- As Exhibit PH-2, a partially redacted copy of the wholesale procurement agreement (for [TRANSLATION] "hardware and decoration products," "construction materials" and "farm products") and mandate entered into on February 1, 2015, between the Owner (at that time, La Coop Fédérée) and BMR. The agreement provides for the purchase of goods by the Owner from BMR – of which it is the sole and unique shareholder – for wholesale sale to its members in the context of their retail business(es). According to the preamble, BMR also sells such products wholesale to its own network of retailers. Mr. Houle certifies that this agreement was in effect throughout the relevant period.
- As Exhibit PH-3, a partially redacted copy of the procurement agreement entered into on February 22, 2023, between the Owner and Squatec Coop, under which the latter purchases goods and services from BMR for resale in, or from, its retail business of [TRANSLATION] "hardware and building materials" in Squatec, Quebec. Mr. Houle certifies that this agreement came into force during the relevant period, on March 1, 2023 (as stated in article 2.1 of the agreement), and was still in force on the date of signing of his statutory declarations.
- As Exhibit PH-4, a partially redacted copy of the procurement agreement entered into on March 20, 2023, between the Owner and Gracefield Coop, under which the latter purchases goods and services from BMR for resale in, or from, its retail business of [TRANSLATION] "hardware and building materials" in Gracefield, Quebec. Mr. Houle certifies that this agreement came into force during the relevant



period, on November 1, 2022 (as stated in article 2.1 of the agreement), and was still in force on the date of signing of his statutory declarations.

[18] Mr. Houle alleges that BMR has the right to use the Marks under the procurement agreement filed as Exhibit PH-2, but he does not cite any specific terms granting that licence. In fact, in the excerpts in evidence, the only reference to trademark licences is in the preamble (which is nonetheless an integral part of the agreement, in light of article 13.8 of the agreement). According to the provisions of the preamble, (i) The Owner's members operate [TRANSLATION] "a retail business or businesses... associated with trademarks **owned by [the Owner] or for which the Owner has a licence**, including the *Unimat* and *BMR* trademarks" and (ii) retailers in the BMR network operate retail businesses [TRANSLATION] "associated with trademarks **owned by [BMR] or for which it is a licensee**, including the *BMR* and *Unimat* trademarks" (italics in the original, bold added). I am of the view that a reasonable reading of these provisions leads to the conclusion that the "*Unimat*" mark belongs to the Owner while its subsidiary BMR is the licensee (the opposite being true for the "*BMR*" mark). I am also prepared to accept that this reference to the "*Unimat*" mark includes the graphic forms, including the Marks.

[19] However, the terms of the licences in question are not specified, and the excerpts in evidence make no reference to the undertakings related to the character or quality of the goods and services associated with the use of the licensed trademarks. That said, the evidence of use introduced by Mr. Laporte focuses on the presentation of the Marks in the retail stores of the Owner's members and in the transportation of the goods intended for them. In this respect, article 4.2 of the procurement agreement between the Owner and BMR states that BMR will act as the Owner's agent for

[TRANSLATION] “the collection, receipt, delivery, and provision to the [Owner’s members]” of the goods and services that the members purchase from the Owner in accordance with that agreement.

[20] As for the members Squatec Coop and Gracefield Coop, Mr. Houle alleges that, under the procurement agreements filed as exhibits PH-3 and PH 4 respectively, they have the right to use [TRANSLATION] “the BMR Marks”, as that term is defined in those agreements. Indeed, the preamble of those agreements states that, concurrently with the procurement agreement, Squatec Coop and Gracefield Coop have each entered into an operating and licence agreement with respect to their use of the authorized [TRANSLATION] “BMR Marks”. The definition of [TRANSLATION] “BMR Marks” in Appendix A of the procurement agreement states that this term refers, among other things, to the trademarks and logos of which BMR [TRANSLATION] “is the owner or licensee, which it uses in association with its business or allows the use thereof by the [merchants it serves] in association with their retail business(es)...”. The specific trademarks and logos are not identified, but Mr. Houle asserts that this definition of [TRANSLATION] “BMR Marks” includes the Marks. I note that such a conclusion would be consistent with the provisions of the procurement agreement between the Owner and BMR produced as Exhibit PH-2, as I have interpreted them above.

[21] Articles 8 and 10 of the procurement agreements in exhibits PH-3 and PH-4 state that Squatec Coop and Gracefield Coop must comply with all provisions of said operating agreement, failing which the Owner may terminate the procurement agreement. The terms of the operating agreement are not specified, but the preamble of the procurement agreements states that the operating agreement is related to the cooperative’s operation of its business [TRANSLATION] “according to BMR standards”. In addition, articles 3 and 8 of the procurement agreements set

forth the following, among other things: the address at which the cooperatives must operate their businesses (unless BMR, as the agent of the Owner, agrees to operate elsewhere); what goods and services the cooperatives are permitted to sell; what goods and services they *must* offer for sale, unless authorized otherwise by BMR, in its role as agent; the website on which online sales are permitted, namely the site created and operated by BMR (unless BMR, in its role as agent, agrees to another site); and the terms by which the cooperatives would be permitted to operate other businesses or activities approved by BMR, in its role as agent. Furthermore, these terms include the cooperative's commitment to never harm its image and good reputation, nor the image and reputation of the Owner, BMR or the goods and services obtained from the Owner for resale. A failure in these respects would also allow the Owner to terminate the agreement in accordance with article 10.

[22] It should also be noted that the preambles of the two agreements state that certain cooperative members of the Owner operate businesses in the areas of [TRANSLATION] "retail fuel sales, farm" and "retail sales of hardware and building materials". The preambles also provide for the distribution and wholesale sale by the Owner to its members [TRANSLATION] "of hardware and decoration products, construction materials, farm products, and garden/home products". However, the excerpts in evidence do not specify whether all the types of products mentioned above are sold at Squatec Coop or Gracefield Coop, in particular. In fact, those excerpts describe the retail businesses of the two members only as [TRANSLATION] "hardware and building materials" and, in one place, as "hardware, building materials and decoration products". Furthermore, article 8.6 states that the members may only use their businesses for the purpose of retail sales of [TRANSLATION] "hardware and decoration products and building materials", unless prior approval to the contrary is obtained through BMR. I also note

that Appendix C states that the members' businesses include [TRANSLATION] "the land, buildings, facilities and parking lots" located at the company's address, but it does not describe the specific use of these various places and equipment or the services they provide.

***Josée Létourneau***

[23] Ms. Létourneau, the General and Legal Affairs Secretary of the Owner, states that she made her statutory declarations to demonstrate the contractual links that existed during the relevant period between the Owner and St-Victor Coop in its capacity as a licensee and franchisee of the Owner. In particular, Ms. Létourneau asserts that St-Victor Coop was duly authorized to use the Marks in Canada during the relevant period, in the normal course of its business, in association with the registered services.

[24] Ms. Létourneau submitted the following exhibits in support:

- As Exhibit JL-1 of her declaration, a copy of the Act to amend the charter.
- As Exhibit JL-2, a partially redacted copy of the franchise agreement (for Coop hardware, Coop renovation centre, and Coop garden centre) entered into on December 16, 2004, between the Owner (at that time, Fédération des coopératives du Québec) and St-Victor Coop, which had a store in St-Victor, Quebec, where it operated [TRANSLATION] "the hardware products and building materials businesses, the renovation centre(s) or the garden centre(s)". Ms. Létourneau attests that this agreement was in effect throughout the relevant period.

[25] It should be noted that it is clear from the Act to amend the charter and the franchise agreement that the Owner had the corporate name Fédération des coopératives du Québec at the time the agreement was

entered into and not the corporate name La Coop Fédérée stated by Ms. Létourneau. However, I am of the view that this is inconsequential in this case.

[26] With respect to the Marks, Ms. Létourneau alleges that St-Victor Coop has the right to use them under its franchise agreement. However, according to article 1 of the agreement, the licence granted is not related to the Marks, but to the [TRANSLATION] "CO-OP Marks", defined in Appendix A as the CO-OP and CO-OP & Design trademarks. That said, article 1 also provides that the Owner may at any time add new [TRANSLATION] "CO-OP Marks" as objects of the licence set out in that section.

[27] Regardless, according to the preamble of the agreement, St-Victor Coop acknowledges that it is important to adhere to all of the Owner's quality standards, regulations, rules, guidelines and policies governing the operation of the business and the sale of the goods and services, to ensure consistency and quality in customer service. Indeed, article 3.2 requires that St-Victor Coop respect and comply with any regulations, policies, and directives that the Owner may issue concerning the operation of the business and the sales and after-sales services of the goods and services, not take any action that could harm the reputation of those goods and services, and have competent and courteous staff in sufficient numbers to adequately serve the clientele. According to article 9, the Owner may also lend the franchisee [TRANSLATION] "equipment, furniture and other installations" and provide it with "documents, in any medium, and/or software". Article 4.2 allows the Owner or its representative to enter the place of sale to monitor and verify the nature and quality of the goods and services, to ensure they comply with the Owner's specifications, while article 7.3 allows it to terminate the licence if St-Victor Coop breaches the commitments described above.

[28] It should also be noted that the preamble of the franchise agreement qualifies the Owner of the federation as a [TRANSLATION] “cooperative of agricultural producers” and a wholesaler “of hardware products, building materials, farm supplies, horticultural products, and other products, goods, and services,” which it sells to its members who operate “retail hardware and building materials stores, renovation centres, and garden centres”. Moreover, article 2 of the agreement expressly grants the franchisee the right to (i) integrate these businesses with a [TRANSLATION] “gas station” and a “convenience store”; (ii) sell “products useful for agriculture and sugar bush operation, as sold in CO-OP hardware stores and renovation centres”; and (iii) use certain “decoration centre concepts” in their operation of hardware stores, renovation centres or garden centres.

***Pierre-Rémi Fourès***

[29] Mr. Fourès, the Director of Transportation for BMR, states that he made his statutory declarations to demonstrate the use of the Marks by the Owner in the normal course of its business, through its licensees. He claims that the Owner thus used and displayed the Marks during the relevant period in the performance and advertising of the registered services, notably through its licensees BMR and Transport Robert. He adds that, under the terms of the licences granted to them, the Owner had direct or indirect control of the character or quality of the registered services.

[30] More specifically, Mr. Fourès states that Transport Robert used trailers displaying the Mark (which he also describes as a modernized version of the Square Mark) for the provision of goods transportation services rendered to BMR during the relevant period, as shown in exhibits DL-4 and DL-5 attached to Denis Laporte's sworn statement above.

[31] To demonstrate the rights of the licensee Transport Robert to use the Marks in association with the registered services, Mr. Fourès submitted the following additional documents:

- As Exhibit PRF-1 of his declaration, a partially redacted copy of the transportation contract entered into between Transport Robert and BMR to take effect on November 1, 2016, under which Transport Robert (i) acquired trailers displaying the Marks (Unimat Trailers), and (ii) committed to deliver goods to the retailers affiliated with the Owner and with BMR using those trailers for the duration of the contract, until October 31, 2019.
- As Exhibit PRF-2, a partially redacted copy of the framework service agreement related to transportation entered into between Transport Robert and BMR to take effect on November 1, 2023, under which Transport Robert (i) further committed to deliver goods to retailers affiliated with the Owner and with BMR, and (ii) according to Mr. Fourès, did indeed make such deliveries during the relevant period, using, in particular, Unimat Trailers.

[32] Mr. Fourès confirmed that it was under the terms of the service contracts in exhibits PRF-1 and PRF-2 that Transport Robert used the Unimat Trailers as shown in exhibits DL-4 and DL-5, although the performance of the transport service evidenced by the documents in Exhibit DL-5 seems to fall between the two contract periods, specifically in mid-July 2022.

[33] Article 13 of the transport contract in Exhibit PRF-1 states that Transport Robert will comply with the standards of care, skill and diligence [TRANSLATION] “normally provided in the performance of services similar to those considered in this contract”. The standards to be followed are further set out in the framework agreement in Exhibit PRF-2. Among other things, it

states that Transport Robert will provide the services with diligence, within the required time, using best practices and according to industry and occupational health and safety standards (article 1.2); will take all steps to protect health, safety and the environment (article 2.4); will not harm the name or reputation of BMR (article 3.2); will have a sufficient number of able, qualified and experienced people to perform the services (article 7.1); will use clean, safe and hygienic equipment, to avoid degradation of the goods (article 8.1); and will comply with BMR policies governing transportation conditions, as issued by BMR during the duration of the agreement (article 25.1). Under article 15.2, BMR may terminate the framework agreement if it believes that Transport Robert has harmed, or is likely to harm, BMR's good reputation or its relationship with its clients, or otherwise pose a risk to the integrity, safety, or hygiene of the goods.

[34] It should also be noted that the preamble of the transportation contract in Exhibit PRF-1 specifies that it is a dedicated transportation service for BMR's [TRANSLATION] "hardware distribution centres" (and a transshipment service), and that article 8.2 of the contract prohibits the use of Unimat Trailers other than for the dedicated transportation service.

### **ANALYSIS**

[35] It is well established that a section 45 proceeding is limited in scope. Its purpose is to provide a simple, summary and expeditious procedure for removing "deadwood" from the register [*Performance Apparel Corp v Uvex Toko Canada Ltd.*, 2004 FC 448]. It is not intended to instruct disputed questions of fact. Rather, these must be decided by applying to the Federal Court under section 57 of the Act [*Meredith & Finlayson v Canada (Registrar of Trademarks)* (1991), 40 CPR (3d) 409 (FCA)].

[36] Thus, in the context of a section 45 proceeding, the evidence need not be perfect; the registered owner need only present *prima facie* evidence of



the use of the trademark within the meaning of sections 4 and 45 of the Act, and the Registrar can draw reasonable inferences from the facts presented [see *Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184; and *Eclipse International Fashions Canada Inc v Shapiro Cohen*, 2005 FCA 64]. Moreover, the evidence must be considered as a whole and the exhibits interpreted together with the specific factual statements by the applicant [see *Kvas Miller Everitt v Compute (Bridgend) Ltd* (2005), 47 CPR (4th) 209 (TMOB); and, for example, *Fraser Milner Casgrain sncrl v Canadian Distribution Channel Inc* (2009), 78 CPR (4th) 278 (TMOB)]. Those factual statements should generally be given substantial credibility [*Ogilvy Renault v Compania Roca-Radiadores SA*, 2008 CarswellNat 776 (TMOB); *Oyen Wiggs Green & Mutala LLP v Atari Interactive, Inc*, 2018 TMOB 79].

### ***Use of the Marks on stationery***

[37] In this case, the business card and order forms reproduced in exhibits DL-1 and DL-2 of Mr. Laporte's declaration refer to the Mark displayed in the advertisement and provision of services related to the [TRANSLATION] "operation of sales centres related to retail sales services" by Squatec Coop and Gracefield Coop during the relevant period. Mr. Laporte attests that the business card is identical to those provided at that time by Squatec Coop to its clients and suppliers in Canada, and the purchase orders are identical to those used at that time by Gracefield Coop for its clients in Canada.

### **Minor variations**

[38] Although it is the CDR Variant – including the description [TRANSLATION] "Renovation Centre" in small letters – that is shown on the business card and the order forms, the Mark stands out. Thus, when I apply the principles set out in *Canada (Registrar of Trade Marks) v CII Honeywell Bull, SA* (1985), 4 CPR (3d) 523 (FCA); *Nightingale Interloc Ltd v Prodesign Ltd* (1984), 2 CPR (3d) 535 (TMOB); and *Loro Piana SPA v Canadian Council of*

*Professional Engineers*, 2009 FC 1096, I find that displaying the CDR Variant constitutes a display of the Mark.

[39] I also agree that displaying the Mark – whether as registered or the CDR Variant – constitutes a display of the Square Mark. When I apply the principles set out by the Federal Court of Appeal in *CII Honeywell Bull, supra*, and *Promafil Canada Ltd. v Munsingwear Inc* (1992), 44 CPR (3d) 59, I am satisfied that the dominant features of the Square Mark as registered – namely the word “UNIMAT” and the three stripes – have been preserved. I find the removal of the border and background and the modification of the colour arrangement to be inconsequential, as I am of the view that these are minor elements in this case. I also consider the thickening and upward elongation of the underline to form a roof to be a minor variation. Although this addition makes the features resemble a roof, the Mark retains its identity and remains recognizable despite the enhancement.

[40] Although the evidence for each of the Marks is the same, nothing prevents the use of the same evidence in support of more than one trademark. If the notice provided for in section 45 of the Act had only been sent against the Square Mark, the outcome for its registration would have been the same. The fact that the registered owner has another registration for a similar trademark has no impact on the expungement procedure, and there is no reason to draw a different conclusion simply because the evidence in both cases was examined at the same time.

#### Licences

[41] I am also of the view that the use of the Marks by Squatec Coop or Gracefield Coop is equivalent to such use by the Owner.

[42] Section 50(1) of the Act requires that the owner of a trademark have direct or indirect control of the character or quality of the goods and services

sold in association with that mark by its licensees, to benefit from the presumption that their use of the licensed mark is deemed to be a use by the owner. As stated by the Federal Court, the owner essentially has three means of demonstrating that it exercises the required control: first, by clearly swearing to the fact that it exerts that control; second, by providing evidence that demonstrates that it exerts the requisite control; or third, by providing a copy of a licence agreement that explicitly provides for such control [*Empresa Cubana Del Tobacco Trading v Shapiro Cohen*, 2011 FC 102, aff'd 2011 FCA 340].

[43] In this case, Mr. Houle asserts that BMR, Squatec Coop and Gracefield Coop were all duly authorized to use the Marks in Canada during the relevant period in association with the registered services. He alleges that BMR had the right to use the Marks under the procurement agreement produced as Exhibit PH-2 and that the retailers Squatec Coop and Gracefield Coop benefited from it under the procurement agreements produced as exhibits PH-3 and PH-4. However, he does not state whether the Owner was exercising the control provided for in section 50(1) of the Act.

[44] As I discussed above, based on an objective reading of the terms of the procurement agreement in Exhibit PH-2, I am prepared to accept that it refers to a licensing of the Marks by the Owner to BMR, and the designation of BMR as the agent of the Owner with respect to the licensed cooperatives. Given the evidence provided by Mr. Houle as a whole and the exhibits, combined with the statements by the applicant, I am also prepared to accept that procurement agreements PH-3 and PH-4 refer to a sublicense agreement related to the use of the Marks by Squatec Coop and Gracefield Coop entered into between BMR and each of them.

[45] Furthermore, in light of the excerpts from the agreements in evidence, I am satisfied that those in exhibits PH-3 and PH-4 demonstrate the exercise

of the control provided for in section 50(1) of the Act. I reach this conclusion because the Owner determines which goods and services the licensed cooperatives are authorized to sell and/or must offer for sale; sells these goods and services wholesale to the cooperatives; prescribes the locations where the cooperatives can carry out sales whether physical or online; and stipulates the terms under which the cooperatives would be allowed to operate other businesses or activities. Although BMR obtains and delivers the goods, and provides consents, authorizations, and approvals as applicable, BMR does so in its capacity as the Owner's agent. Thus, the Owner exerts indirect control over the character and quality of the retail services of Squatec Coop and Gracefield Coop, as permitted by section 50(1).

Each of the registered services

[46] It remains to determine which of the registered services were performed or advertised in association with the Marks displayed on the business card and the order forms.

[47] In this respect, Squatec Coop's business card explicitly lists the goods and services [TRANSLATION] "Food Market," "Hardware & Building Materials" and "Renovation Centre," along with a physical address, but without a website address. With respect to [TRANSLATION] "Food Market," none of the deponents explains the nature of this service, but I note that the preamble of the procurement agreement between the Owner and Squatec Coop states that some member cooperatives operate in the "farm" sector and provides for their purchase "of farm products" for resale. Such a business would also be in compliance with the preamble of the franchise agreement between the Owner and St-Victor Coop, which qualifies the Owner as a [TRANSLATION] "federation of agricultural cooperatives" and provides for its wholesale of "horticultural products" to retailers who operate businesses related to

“hardware and building materials, renovation centres, and garden centres” – and article 2 of the agreement with St-Victor Coop, which provides for the integration of such businesses with a convenience store.

[48] The Gracefield Coop order forms advertise the [TRANSLATION] “Renovation Centre” service and, in the case of the first form, the “Hardware,” “Materials” and “Garden Centre” goods and services. Like the business card, the first form provides a physical address, but neither of the forms provides an Internet address. In relation to the context of the advertised services, I note that the name of the user of the forms is “Société coopérative *agricole* de Gracefield” (emphasis added) and that the preamble of its procurement agreement with the Owner states that the member cooperatives will purchase [TRANSLATION] “hardware and decoration products, building materials, farm products, and garden/home products” for resale. It is also worth noting that the preamble of the franchise agreement between the Owner and St-Victor Coop, referring to the Owner as a [TRANSLATION] “federation of agricultural cooperatives,” provides for its wholesale sale of “farm supplies” to retailers operating “hardware and building materials stores, renovation centres, and garden centres.” In addition, article 2 of that agreement provides for the retail sale of [TRANSLATION] “products useful for agriculture and the operation of sugar bushes” in “hardware stores and renovation centres”.

[49] Under the circumstances, I accept that the advertised sales centres would have been related to the retail sale of [TRANSLATION] “hardware products,” “building materials” and “farm and gardening products,” and that these goods and materials would be related, among other things, to “renovation and construction”.

[50] It is clear that the stationery items in evidence do not explicitly mention [TRANSLATION] “decoration” or “maintenance”. That said, the

registrar has already held that, “in certain cases, statements of services contain overlapping and redundant terms in the sense that the performance of one service would necessarily imply the performance of another” [*Gowling Lafleur Henderson LLP v Key Publishers Co*, 2010 TMOB 7; see also *GMAX World Realty Inc v RE/MAX, LLC*, 2015 TMOB 148].

[51] In this case, given that hardware products and building materials can be used for “decoration,” I accept that the advertised sales centres would also include “decoration” products. Indeed, the descriptions of businesses in the three procurement agreements in evidence seem to consider [TRANSLATION] “hardware and decoration” as a single class of goods. (The agreements in exhibits PH-3 and PH-4 even mention that they are businesses in “construction and decoration” materials.) Such an interpretation would also be consistent with article 2 of the franchise agreement between the Owner and St-Victor Coop, which provides for the use of decoration centre concepts in the operation of hardware stores, renovation centres, and garden centres.

[52] Furthermore, since hardware products and building materials can be used for “maintenance,” I also accept that the products and materials offered for sale would be related not only to renovation and construction but also to maintenance.

[53] However, in the absence of any information that would indicate the presence of an online store associated with Squatec Coop or Gracefield Coop, I am not prepared to infer that either one operated a sales centre related to [TRANSLATION] “online or Internet retail services” during the relevant period. The evidence instead indicates that the sales centres for these were linked to the establishments at the addresses specified in the procurement agreements. Although these agreements allow for online sales on the website set up and operated by BMR, or even another site with prior

authorization, there is no indication that Squatec Coop or Gracefield Coop took advantage of this. A conclusion that they had done so would be purely speculative.

[54] I reach a similar conclusion concerning the operation of sales centres related to [TRANSLATION] “the installation of products..., materials...”. There is nothing in the evidence to indicate that Squatec Coop or Gracefield Coop offered or provided the public with an installation service. The documents in evidence refer to [TRANSLATION] “equipment, furniture and other installations” borrowed by the franchisees from the Owner and [TRANSLATION] “land, buildings, facilities and parking lots” located at the business addresses of its members, but the documents are silent concerning the installation of products or materials sold by the members to their customers.

[55] Finally, with respect to the link to [TRANSLATION] “residential, commercial, farm” construction, I find it reasonable to infer that the construction targeted by a business incorporating a “Renovation Centre,” a “Hardware Store” and a “Garden Centre” can qualify as “residential” and “farm” construction. Furthermore, although the evidence makes no mention of commercial buildings or construction by companies, I find it reasonable to accept that sales centres related to residential or farm construction would also be willing to serve, at least to some extent, commercial construction.

[56] All things considered, I find that the services explicitly or implicitly advertised on the business card and/or the order forms correspond to the following registered services:

[TRANSLATION]

- CI 35 (1) Operation of sales centres related to online and Internet retail sale services and to the installation of hardware products, building materials, decoration products, farm products and gardening products related to residential, commercial and farm maintenance, renovation and construction.

[57] I also see no reason to doubt that, during the relevant period, Squatec Coop and Gracefield Coop performed, or at least were prepared to perform, the services advertised, as set out in their procurement agreements in effect at the time.

***Use of the Marks in wall and mobile advertising***

[58] With respect to the Mark shown on the wall clock at St-Victor Coop's main establishment, there is no indication of the exact location where the clock was installed, although it would have been easy to mention. Under the circumstances, I am not prepared to infer that the clock would necessarily have been installed within view of customers, as opposed to a location reserved for employees, such as a back room or an administrative office, for example. However, in any case, it has not been demonstrated that St-Victor Coop offered more registered services than Squatec Coop or Gracefield Coop.

[59] As for the trailers displaying the CDR Variant on Canadian roads while transporting goods for BMR, I acknowledge that these vehicles, at a minimum, displayed the Marks in the advertisement for the operation of sales centres related to renovation during the relevant period. Furthermore, the evidence related to their use to supply the Owner's members supports the conclusion that it was prepared to operate hardware sales centres through its licensees during the relevant period.

[60] I do not find it necessary to further analyze the sufficiency of the evidence concerning the use of the trailers on behalf of the Owner in this case. Indeed, the alleged use of the trailers would not further demonstrate the advertisement or performance of registered services – including the advertisement or performance of services related to online or Internet sales or to the installation of the products and materials sold.



[61] In this respect, although at least one of the Unimat Trailers advertises a website address, there is no indication whether the website to which the address refers includes an online store or is used only for information purposes concerning the Owner's business. It is true that there is an "ipoints" logo nearby that, at first glance, could potentially suggest the presence of an online business. (Such a business could also offer installation services in addition to delivery.) However, the rest of the text of the logo is illegible in the image in evidence and the addition of the word "ipoints" alone cannot demonstrate the existence of an online business during the relevant period for any aspect of the registered services.

### ***Conclusion***

[62] In light of all the above, objectively interpreted and considered as a whole, I find the evidence in this case sufficient to allow me to infer that the Owner used the Marks in Canada during the relevant period within the meaning of sections 4 and 45 of the Act in association with the following services, which correspond to the statement of the services in registration TMA697132 for the Square Mark:

[TRANSLATION]

- CI 35 (1) Operation of sales centres for the retail sale of hardware products, building materials, decor products, farm and gardening products related to residential, commercial and agricultural maintenance, renovation and construction.

[63] On the other hand, in the absence of additional details or even observations from the Owner, I cannot conclude that they have demonstrated the use of the Mark within the meaning of sections 4 and 45 in association with the services described in registration TMA699086 for the Mark, namely [TRANSLATION] "Operation of sales centres related to online and Internet retail sale services" and/or "Operation of sales centres related to the installation of [listed products and materials]". In the circumstances of

this case, the declarations by Mr. Laporte and Mr. Fourès alleging the use of the Mark in Canada during the relevant period in association with the registered services amount to bare allegations of use rather than statements of fact establishing the use of the Mark in association with each of the registered services.

[64] Moreover, I have no evidence of special circumstances justifying the absence of use.

**DISPOSITION ON REGISTRATION TMA699086 (FOR THE MARK)**

[65] In view of all the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, and in accordance with the provisions of section 45 of the Act, registration TMA699086 for the Mark will be expunged.

**DISPOSITION ON REGISTRATION TMA697132 (FOR THE SQUARE MARK)**

[66] In view of all the foregoing, pursuant to the authority delegated to me under section 63(3) of the Act, and in accordance with the provisions of section 45 of the Act, registration TMA697132 for the Square Mark will be maintained in the register.

Oksana Osadchuk  
Member  
Trademarks Opposition Board  
Canadian Intellectual Property Office

Certified translation  
Gerald Woodard

## Appearances and Agents of Record

**HEARING DATE:** No hearing held.

### **AGENTS OF RECORD**

**For the Requesting Party:** Borden Ladner Gervais LLP

**For the Registered Owner:** Stein Monast S.E.N.C.R.L./L.L.P.