

Federal Court



Cour fédérale

**Date: 20150824**

**Docket: T-334-15**

**Citation: 2015 FC 1000**

**Vancouver, British Columbia, August 24, 2015**

**PRESENT: The Honourable Mr. Justice Beaudry**

**BETWEEN:**

**CAMERON IP**

**Applicant**

**and**

**HALDEX AB**

**Respondent**

**JUDGMENT AND REASONS**

[1] This is an appeal of a decision by a Hearing Officer of the Trade-Marks Opposition Board dated December 30, 2014. In her decision, the Officer maintained in part the registration Nos. TMA693, 747 and TMA667, 821 for the trade –marks HALDEX and HALDEX & DESIGN [the marks] shown below, owned by Haldex AB:



I. Factual Background

[2] On May 29, 2012, the applicant sent notice to the Registrar of Trade-marks pursuant to s 45 of the *Trade-marks Act*, RSC 1985, c T-13 [the *Act*]. As a result of this notice the respondent was required to provide evidence showing that it had used the marks in Canada at any time between May 29, 2009 and May 29, 2012 [the relevant period].

[3] On January 24, 2013, the respondent provided as evidence two affidavits, a brochure and three invoices attesting to the use of the marks in Canada during the relevant period.

[4] In her decision, the Hearing Officer explained the rationale behind the expungement provisions of the *Act*. She also noted that in order to prove that the marks were still in use during the relevant period sufficient evidence needed to be adduced citing *Uvex Toko Canada Ltd v Performance Apparel Corp*, 2004 FC 448.

[5] She went on to discuss the affidavits of Brian Bowerman, Director, North American Aftermarket Sales for Haldex Limited [the Affidavits]. Mr. Bowerman explained that in Canada, Haldex Inc. is responsible for the manufacturing of parts associated with the Haldex brand, whereas Haldex Limited is responsible for the sales of those manufactured parts. In his affidavits Mr. Bowerman also attested to the use of the marks during the relevant period. The two Affidavits are substantially the same, the only difference being to which of the marks they refer. As evidence of use, the affiant produced a copy of a brochure entitled *Aftermarket Product Lines* [the Brochure] bearing the HALDEX and DESIGN mark on the front page; and, copies of invoices issued by Haldex Limited [the Invoices].

[6] The Hearing Officer agreed with the respondent's arguments pertaining to the use of the marks on the invoices provided by the affiant. Relying on case law, she noted that the affiant "provided statements clearly attesting to the Registrant's control over the character and quality of all of the products sold by Haldex Limited" and therefore accepted that "any such use enures to the benefit of the Registrant". In addition, she accepted that the use of the mark HALDEX & DESIGN might constitute use of each of the marks.

[7] Where the Hearing Officer disagreed with the respondent was on the use of the marks for the goods and services for which they are registered. She observed that evidence of use was lacking for some of the goods and services. Therefore, she determined that the goods and services for which no use had been demonstrated would be deleted from the respective registrations.

I. Issues

[8] The issues raised by the applicant in the appeal are the following:

- (1) Has the respondent established use with respect to goods?
- (2) Has the respondent established use with respect to services?

II. Applicant's Arguments

A. *Use with respect to goods*

[9] The applicant argues that the Hearing Officer did not properly assess the brochure evidence submitted. In fact, he contends that the Federal Court of Appeal in *Nissan Canada Inc v BMW Canada Inc*, 2007 FCA 255 has held that the proof of use through brochures or other

advertising material requires that the owner of the mark “also supply evidence that the brochures were provided at the time of transfer of the property or possession of the good”. This conclusion also found application in the following cases: *Baker & McKenzie LLP v Dart Industries Ltd*, 2012 TMOB 20 and *Grapha-Holding AG v Illinois Tool Works Inc*, 2008 FC 959. However, in the present case, the respondent provided no evidence that the brochure relied upon to prove the use of the marks was provided at the time of transfer of the property.

[10] With respect to the invoice evidence, the applicant notes that “if [a mark is] used in the body of an invoice, it will generally be accepted that the mark is being used to describe the goods. However, if placed on top of the invoice, it will not”. In the present case, the marks are displayed on top of the invoices. In addition, these invoices contain products associated with other trade-marks. Therefore, the invoices are not acceptable evidence as they contain ambiguous information pertaining to the use of the marks.

B. *Use with respect to services*

[11] The applicant submits that the Hearing Officer erred when concluding that the combined use of the marks on the invoices and brochure showed use in association with the services.

III. Respondent’s Arguments

[12] The respondent underscore that the decision of the Hearing Officer was reasonable. In regards to the use with association with goods, the respondent cites *Hortilux Schreder BV v Iwasaki Electric Co*, 2011 FC 967 aff’d 2012 FCA 321 [*Hortilux*], where Mr. Justice Russell

concluded that there are several factors that are relevant in determining if invoices establish use of trade-marks. The factors, as summarized by the respondent, are:

- (1) The prominence of the trade-mark at the top of the invoice;
- (2) Whether the trade-mark is used in the context of corporate identification;
- (3) Whether the goods of more than one manufacturer are being sold;
- (4) The purchaser's familiarity with the trade-mark owner's business;
- (5) Whether any other trade-mark appears in the invoice in association with the wares being sold;

[13] The respondent applies these factors to the present case and demonstrates how they justify the use of the invoice evidence.

[14] On the issue of use of trade-marks with respect to services, the respondent contends that *LIDL Stiftung & Co KG v Thornbury Grandview Farms Ltd*, [2005] TMOB n° 122, recognizes that "the display of a trademark on invoices can constitute use of services". The brochure and the sworn affidavit reinforce the decision of the Hearing Officer. Therefore, it was reasonable for her to maintain the marks.

#### IV. Analysis

[15] The Court agrees with the parties that the applicable standard of review for an appeal of a decision by the Registrar of Trade-marks is reasonableness *Scott Paper Limited v Smart & Biggar*, 2008 FCA 129; *Diamant Elinor Inc v 88766 Canada Inc*, 2010 FC 1184. As such, this Court will only intervene if the decision does not fall within a range of possible, acceptable

outcomes which are defensible in respect of the facts and law *Dunsmuir v New Brunswick*, 2008 SCC 9, [2008] 1 SCR 190 at para 47.

[16] The critical or relevant period in this case for a conclusion of use ran from May 29, 2009 to May 29, 2012.

[17] Use is defined in section 2 of the *Act* as “any use that by section 4 is deemed to be a use in association with goods or services”.

[18] Subsection 4 (1) of the *Act* establishes the requirement for a trade-mark that is used in association with goods:

4. (1) A trade-mark 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. (1) Une marque de commerce est réputée employée en liaison avec des produits si, lors du transfert de la propriété ou de la possession de ces produits, dans la pratique normale du commerce, elle est apposée sur les produits mêmes ou sur les emballages dans lesquels ces produits sont distribués, ou si elle est, de toute autre manière, liée aux produits à tel point qu’avis de liaison est alors donné à la personne à qui la propriété ou possession est transférée.

[19] Therefore, it must be shown that the goods were transferred, either in property or possession and that the mark was associated with the goods in some way.

[20] In the case at bar, the invoices are dated August 16, 2010; November 23, 2010; and March 24, 2011; all of which fall within the relevant period. It was therefore reasonable for the Hearing Officer to conclude that the goods listed on the invoices were transferred during the relevant period.

[21] In his affidavits, Mr. Bowerman affirms that the trade-mark was marked on the products themselves, displayed on the packaging, displayed on the Brochure and displayed on the invoices. The Court is of the opinion that the Hearing Officer's conclusion that the mark was used in association with the goods is reasonable.

[22] Nowhere in the Hearing Officer's reasons does it appear that she relied on the Brochure alone as evidence to associate the marks with the goods.

[23] The Hearing Officer analysed the invoices submitted by the respondent in conjunction with Mr. Bowerman's attestations in his affidavit and determined that the use of the marks had been established. The Court has no reason to intervene here.

[24] The factors in Hortilux cited at paragraph 12 of the present decision, are simply factors to consider and do not form a strict test. They are not to be applied in isolation.

[25] Subsection 4 (2) of the *Act* establishes the requirement for a trade-mark that is used in association with services:

(2) A trade-mark is deemed to be used in association

(2) Une marque de commerce est réputée employée en

with services if it is used or displayed in the performance or advertising of those services.

liaison avec des services si elle est employée ou montrée dans l'exécution ou l'annonce de ces services.

[26] The Hearing Officer deleted most of the services from the register. The amended statements of services for both marks are limited to sales and distribution, and in the case of TMA667, 821, the manufacture of motor vehicle parts.

[27] The invoices and the brochure were all marked with the Haldex mark. Furthermore, Mr. Bowerman's affidavit states that the products are manufactured by Haldex Inc., sold and distributed by Haldex Limited.

[28] Based on this evidence, it was in the province of the Hearing Officer to conclude that the mark was used in association with sales and distribution activities as well as the manufacture of motor vehicle parts.

[29] The Court concludes that the Hearing Officer's decision taken as a whole cannot be qualified as unreasonable.

[30] The parties agreed that a lump sum for an amount of \$2,500.00 plus disbursements should be awarded for costs to the successful party.



**JUDGMENT**

**THIS COURT'S JUDGMENT is that:**

1. The appeal be dismissed.
2. The applicant shall pay a lump sum for an amount of \$2,500.00 plus disbursements to the respondent.

"Michel Beaudry"

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Judge

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-334-15

**STYLE OF CAUSE:** CAMERON IP v HALDEX AB

**PLACE OF HEARING:** VANCOUVER, BRITISH COLUMBIA

**DATE OF HEARING:** AUGUST 20, 2015

**JUDGMENT AND REASONS:** BEAUDRY J.

**DATED:** AUGUST 24, 2015

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