

Federal Court



Cour fédérale

Date: 20160826

Docket: T-1958-15

Citation: 2016 FC 971

Ottawa, Ontario, August 26, 2016

PRESENT: The Honourable Madam Justice McDonald

BETWEEN:

TRADEMARK TOOLS INC.

Applicant

and

MILLER THOMSON LLP

Respondent

JUDGMENT AND REASONS

I. Introduction

[1] Pursuant to subsection 45(1) of the *Trade-Marks Act* (the Act), the owner of a trade-mark may be called upon by the Registrar of Trade-marks to provide evidence of the use of the trade-mark within a specified time frame.

[2] TradeMark Tools Inc. (TT) is the owner of the LOGIX design trade-mark. At the request of the Respondent's solicitors, a notice was issued by the Registrar to TT requiring it to provide

evidence of use of the trade-mark for the three year period from December 19, 2011 to December 19, 2014 (the relevant period).

[3] TT requested two extensions of time to file this evidence. On September 22, 2015, the Registrar denied TT's third request for an extension of time and pursuant to ss. 45(4) of the Act, the Registrar expunged TT's registration for failure to show use.

[4] TT appeals the Registrar's decision and relies upon an Affidavit from its warehouse manager, Robert Cesar Olivera, as evidence that the trade-mark was used within the relevant period.

[5] The following issues arise:

- A. Is the Olivera affidavit admissible?
- B. Does the Olivera affidavit provide evidence of use?
- C. Does use of a variation of the trade-mark qualify as use?
- D. Are there special circumstances?

[6] For the reasons that follow, I find that the evidence relied upon by TT does not establish use of the LOGIX trade-mark during the relevant period. The decision of the Registrar is therefore upheld.

II. Analysis

A. *Is the Olivera Affidavit admissible?*

[7] A procedure under section 45 of the Act is intended to be simple, summary and expeditious and is designed to remove deadwood from the trademark registry. The burden of proof is on the registered owner of the trade-mark to demonstrate use in order to maintain a trade-mark on the register. The burden is not a stringent one. The owner must only establish a *prima facie* case of use within the meaning of section 4 of the Act (*Saks & Co v Canada (Registrar of Trade-Marks)* (1989), 24 CPR (3d) 49 (FCTD); *Philip Morris Inc v Imperial Tobacco Ltd et al. (No.2)* (1987), 17 CPR (3d) 237, [1987] FCJ No. 848 (FCA); *Levi Strauss & Co v Canada (Registrar of Trade-Marks)*, 2006 FC 654, and *Brouillette Kosie Prince v Orange Cove-Sanger Citrus Association*, 2007 FC 1229).

[8] This Court may consider additional evidence, even in cases like this where the applicant did not put any evidence before the Registrar: *Austin Nichols & Co, Inc (doing business under the trade name Orangina International Company) v Cinnabon Inc*, [1998] 4 FC 569 (FCA), at paras 8-10, 22; *Vêtement Multi-Wear Inc v Riches, Mckenzie & Herbert LLP*, 2008 FC 1237, at paras 17-18.

[9] The decision of the Registrar would normally be reviewed on a standard of reasonableness. However, when evidence is adduced before this Court which was not before the Registrar, this Court may substitute its own findings for that of the Registrar. In other words, this Court must render the decision that it believes to be appropriate, on the basis of the additional evidence filed which was not before the Registrar (see: *Molson Breweries v John Labatt Ltd*, [2000] 3 FC 145 (FCA) at para 51.).

[10] If the new evidence could have changed the decision of the Registrar, the Court will consider the matter *de novo*, apply the standard of correctness, and arrive at its own conclusion on the issues to which the new evidence pertains: *Sport Maska Inc v Bauer Hockey Corp*, 2016 FCA 44 at para 54.

[11] For the purposes of defending a trademark from expungement under section 45, evidence of use can take the form of a single commercial transaction in the ordinary course of business (see: *Les Sols R. Isabelle Inc v Stikeman Elliot LLP*, 2011 FC 59 at para 17). Evidentiary ambiguities will be resolved in favour of the registered owner: *Messrs. Bereskin & Parr v Fairweather Ltd*, 2006 FC 1248 at para 41.

[12] The evidence relied upon by TT is contained in the Affidavit of Robert Olivera, which was affirmed on December 17, 2015. Mr. Olivera states that he has been employed as a warehouse manager with TT since October 27, 2014. He explains that TT is a supplier of tools and other consumer goods. He states that he is involved in the shipping and invoicing of the goods that bear the LOGIX trade-mark. Mr. Olivera deposes that much of the information contained in his Affidavit was obtained from TT's standard accounting software.

[13] The Respondent argues that the affidavit is not admissible as most of the evidence in the affidavit is hearsay and it is not information about which Mr. Olivera has firsthand knowledge, particularly as he had only been employed by TT for less than 2 months during the relevant period.

[14] I am mindful that the threshold for receipt of evidence on a section 45 claim is low. (*Les Sols R. Isabelle Inc*, above, at para 16.) I am also mindful that by stepping into the shoes of the

Registrar, this Court should be prepared to accept evidence of the same nature and kind that the Registrar could accept (*Fraser Sea Food Corp v Fasken Martineau Dumoulin LLP*, 2011 FC 893 at para 2).

[15] Mr. Olivera's affidavit attaches copies of TT invoices and depictions of the products sold by TT. As the warehouse manager, he states that he is responsible for invoicing. In this position, he would have familiarity with the accounting records relating to invoicing as these are TT's business records. I am satisfied this evidence meets the low threshold requirement for acceptability on this type of an Application and would be acceptable evidence within the business records exemption of the *Evidence Act (Movenpick Holding AG v Exxon Mobil Corporation* , 2011 FC 1397 at paras 77-78).

[16] The Affidavit of Mr. Olivera is admissible.

B. *Does the Olivera Affidavit provide evidence of use?*

[17] The registered design trade-mark is described as a rectangular bar with a long vertical axis with the text "LOGIX" depicted as follows:



[18] The colour claim feature of the trade-mark is described as:

a white rectangular bar with narrow red bands at the top and bottom thereof, the white band displaying the word LOGIX, the 'L', 'G' and 'X' being black and the 'O' and 'I' being gray, with a red umlaut over the 'O' and the dot over the 'I' being red; the top red band displaying the letters LGX in black

[19] The trade-mark is registered for use in association with the goods described as:

tool bags, flashlights and tools, namely hammers, saws, screw drivers, measuring tapes, hand-held drills, spirit levels, pliers and wrenches, small electric kitchen appliances, kitchen carts, kitchen towels, wine bottle openers, and spice racks

[20] Counsel for TT acknowledges that there is no evidence of use of the trade-mark in association with the following goods: small electric kitchen appliances, kitchen carts, kitchen towels, wine bottle openers, and spice racks.

[21] Counsel also concedes that any invoices attached to the Olivera Affidavit which are dated outside the relevant period are irrelevant for consideration on this Application.

[22] In his Affidavit, Mr. Olivera deposes that during the relevant period, TT sold tire pressure gauges and digital tire gauges bearing the LOGIX trade-mark. Attached to his affidavit are depictions of these two products and copies of the invoices.

[23] While the tire gauges depicted use a modified LOGIX mark, the more important issue is whether tire gauges, digital or otherwise, are a "good" covered within the registered description. TT argues that the tire gauges would be covered within the general description of tools. The Respondent argues that the general term "tools" in the registration enumerates a specific list of tools, and that only evidence of use of the trade-mark in conjunction with the tools specifically listed in the registration can be considered.

[24] I agree with the respondent. The list of goods covered by the trade-mark description (see paragraph 19 above) is specific and relates to aids for carpentry tasks, rather than mechanical or automotive tasks.

[25] While the burden of proof on TT to establish use is low, it still must provide at least one clear example of use of the LOGIX design mark during the relevant period: *Fraser Sea Food Corp*, above, at paras 18-19.

[26] TT submitted evidence of goods which are “ready to market” with the LOGIX mark. As this evidence post-dates the relevant period, it is not relevant and was not considered.

[27] The only evidence of use of the LOGIX trade-mark is in conjunction with tire gauges. However as tire gauges are not goods within the description as registered, this evidence is not evidence of use.

C. *Does use of a variation of the trademark qualify as use?*

[28] The Olivera Affidavit attaches invoices and product depictions for goods described in the invoices with the word LOGIX as follows: tool bag, tape measure, plier set, bit driver set, cable tie set, hex key set, fibreglass hammer, household twine, knife, and drill. Some of these goods are included in the list of goods to which the trade-mark applies.

[29] However paragraph 17 of the Olivera Affidavit states that these goods “use a slightly updated LOGIX trademark”.

[30] It is well established in the case law that the use of a variant of a registered trade-mark will be considered use of the mark if the variant is not “substantially different” from the

registered mark and the “dominant features” of the trade-mark have been preserved. See: *Registrar of Trade Marks v CII Honeywell Bull, S.A.*, [1985] 1 FC 406, at 525 (FCA); *Honey Dew Limited v Rudd & Flora Dew Co.*, [1929] 1 DLR 449, at p 453; *Promafil Canada Ltée v Munsingwear Inc* (1992), 44 CPR (3d) 59 (FCA) at 71-72.

[31] The updated Logix mark as depicted in the exhibits at tab “E” to the Olivera Affidavit is different from the registered trade-mark in the following ways:

- different colors are used for the background
- different colors are used for the letters
- a different font is used for the letters
- letters are lower case
- the distinctive punctuation over the letter “o” and “i” is absent
- the 2 rectangular boxes framing the word logix are absent
- the word logix is displayed vertically.

[32] The only remaining similarity between the registered trade-mark and the updated use is the word and the spelling of “logix”. In all other respects, it is substantially different.

[33] I therefore find that the updated “Logix” mark does not maintain the dominate features of the registered trade-mark.

D. *Are there special circumstances?*

[34] Finally, the Applicant has not demonstrated any special circumstances which would excuse non-use of the mark at issue.

JUDGMENT

THIS COURT'S JUDGMENT is that the appeal of Trademark Tools Inc. is dismissed with costs payable to the Respondent in the amount of \$5,000.00.

"Ann Marie McDonald"

Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-1958-15

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LLP

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